No. 29,169

FINANCIAL TIMES

EUROPE'S BUSINESS NEWSPAPER

Friday November 11 1983

D 8523 B

Financial Times European 500, Section IV

NEWS SUMMARY

Heineken rescue attempt warning

The kidnappers of Heineken Breweries chairman Freddy Heineken told Dutch police yesterday they would murder him and his chauffeur if any rescue attempt was made.

They were seized by three masked men as Mr Heineken left his central Amsterdam offices on Wednesday evening. Taxi drivers gave chase but were soon left behind amid the heavy traffic.

It is uncertain whether a ransom has been demanded. Company management has indicated that it is ready to pay to free Mr Heineken, in spite of a written undertaking to the contrary signed by directors this year at Mr Heineken's request.

N-missile date

Nato's high-level Special Consultative Group reaffirmed that Pershing 2 and cruise missiles in Europe "will be operational by the end of the year." Page 2. The Soviet Union told West Germany it would break off arms talks with the U.S. if the Bonn parliament approved the deployment of U.S. nuclear missiles, SPD deputy parliamentary leader Horst Ehmke said.

Strikes hit Dutch

Growing public-sector strikes over proposed pay cuts halted transport in many areas in the Netherlands and threatened the giro payments system.

Job for ex-minister

Ove Rainer, who resigned on Tuesday as Sweden's Justice Minister after controversy over his taxes, was named a supreme court judge.

Earthquake costs

About 1,000 people were made homeless in Tuesday's earthquake in Liège, Belgium, and about BFr 2.5bn ($46m) damage was caused.

Ramphal hits at U.S.

Commonwealth Secretary-General Shridath Ramphal criticised the U.S. for pursuing domestic policies "without much concern for their effects on world economic recovery."

Aircraft talks denied

Britain denied a Beirut newspaper report that Iran had been having talks on buying Jaguar fighter aircraft to offset French sales of Super Etendards to Iraq. Swiss deliver trainers, Page 2

Air crash claim

Angolan guerrillas claimed responsibility for Tuesday's crash of an Angolan Boeing 737 in which 126 people were killed. Page 4

Petrol supply threat

France's 35,000 independent petrol distributors threatened to close, at the start of the Armistice Day holiday weekend, in protest at a government move to allow bigger price discounts.

Skiing for TV

The French Government agreed to fund live television coverage of three World Cup skiing meetings in the French Alps after television channels said they could not afford it.

Briefly . . .

France closed its Tehran embassy's commercial section at the request of Iran. Page 2

Detained former Zimbabwean Prime Minister Bishop Abel Muzorewa ended a hunger strike after eight days.

Turkish daily newspaper Günaydin, closed on October 30 by martial law authorities, was republished.

U.S. and Japan act to firm yen value

● THE U.S. and Japan announced joint action to monitor the yen-dollar exchange rate. U.S. officials said that should help to strengthen the yen and "internationalise" it. Page 4

● TOKYO: Nikkei Dow index fell 52.86 to 9,244.24, partly on uncertainty over the Reagan trade talks in Tokyo. The Stock Exchange index lost 2.68 to 679.96. Report, Page 33. Leading prices, other exchanges, Page 36

● LONDON: FT Industrial Ordinary index was 1.2 down at 729.6. Gilts gained on confirming hopes that inflation would be kept under control. Reports, Pages 33, 37; FT Share Information Service, Pages 38-39.

● WALL STREET: Dow Jones index closed 3.35 up at 1,235.87. Report, Page 33. Full share listings, Pages 34-36

● DOLLAR eased in quiet trading ahead of today's closure of many U.S. centres and in parts of Europe. It closed at DM 2.659 (DM 2.67), SwFr 2.153 (SwFr 2.17), FFr 8.0925 (FFr 8.12) and Y234.5 (Y235.55). Its Bank of England trade-weighted index was 127.5 (127.9). In New York, it closed at DM 2.6535, SwFr 2.149, FFr 8.08 and Y234.125. Page 43

● STERLING rose 55 points to $1.4905 but was slightly weaker at DM 3.965 (DM 3.9675), SwFr 3.2125 (SwFr 3.225), FFr 12.06 (FFr 12.07) and Y349.75 (Y350). Its trade weighting was unchanged at 83.9. In New York, it closed at $1.4907. Page 43

● GOLD closed $6.75 down at $382.625 in London. In Frankfurt it was $1.5 lower at $381.75 and in Zurich it lost $1 to $382.5. In New York, the Comex November settlement was $381.7. Page 42

● TIN standard grade prices rose £40 to £8,632.5 a tonne in London, a three-month high, mainly on continued buying by the International Tin Council's buffer stock. Page 42

● ROYAL DUTCH/SHELL oil group raised third-quarter net income from £451m to £645m ($961m). Page 28. Details, Page 28

● UNILEVER, Anglo-Dutch foods, detergents and toiletries group, lifted nine-month taxable profits from £591m to £610m ($909m) in results brought forward because of theft of confidential financial papers from a manager's home. Details, Page 28; Lex, Page 20

● PHILIPS, Dutch electronics group, is to make an "important" announcement today on the future of its V2000 home video system, under pressure from the rival Japanese VHS format. Page 21

● COAL MINERS were on a 24-hour strike in Lorraine. A similar stoppage is called for Monday in France's central and northern mining zones.

● AMWAY CANADA and its parent company Amway Corporation, second biggest household product distributor in the U.S., pleaded guilty to defrauding the Canadian Government of C$28m ($22.7m). Page 5

● CONFINDUSTRIA, Italian private-sector employers' association, gave way over the issue of paying wage rises under the *scala mobile* indexation system. Page 2

● CHINA will be expected to extend a sovereign guarantee covering debts associated with the $4.6bn nuclear power station to be built in Guangdong province, Hong Kong analysts believe. Page 6

● AUSTRALIA'S balance of payments surplus last month was a record A$1.261bn ($1.151bn) while unemployment fell below 10 per cent. Page 4

● HUNGARY'S industrial output rose, on target, 1.2 per cent in the first nine months compared with the corresponding period last year.

Syria may face reprisal over attack on U.S. jets

BY PATRICK COCKBURN IN TRIPOLI

SYRIAN anti-aircraft guns opened fire on U.S. reconnaisance planes overflying Lebanon yesterday in a dramatic escalation of the conflict between the two countries.

Diplomats in Beirut believe the U.S. may respond by attacking Syrian anti-aircraft bases in eastern and central Lebanon. Washington is known to have considered using its planes based on aircraft carriers off the Lebanese coast since more than 230 marines were killed by a bomb last month.

Syria said its anti-aircraft fire had driven off F-14s, and the U.S. confirmed that one of its aircraft had encountered what appeared to be hostile fire over the Bekaa Valley. A Syrian spokesman in Damascus said the U.S. was mistaken if it considered the air space above Syrian troops as "a good picnic place for its espionage planes."

The crisis in Lebanon was also deepened yesterday by the collapse of the ceasefire in the northern city of Tripoli. After a lull in the fighting between Palestinians loyal to the leadership of Mr Yassir Arafat, chairman of the Palestine Liberation Organisation (PLO), and his Syrian-backed opponents, heavy shelling of Tripoli resumed yesterday afternoon.

Much of the city lost its daylight as the pale yellow sun became masked by the vast cloud of dark smoke rising from a burning oil refinery in the northern outskirts of Tripoli. This city is now in the front line, with rebel PLO forces, backed by Syrian artillery, making a two-pronged attack on either side of Terbol Mountain, which towers above Tripoli to the east.

Mr Arafat's men are giving a good account of themselves. Colonel Abu Mousa, who has led the PLO dissidents, has not been able to gain control of Deir Amaar, a village on a hill overlooking the coastal road. As the ceasefire broke down yesterday afternoon, shells could be seen exploding on the mountainside.

Syrian artillery is shelling the city intensively for the first time. Col Ghandour, gendarmerie commander for northern Lebanon said that only 25 people in Tripoli had died and 150 had been wounded up to yesterday. Most of the casualties have been outside the city limits among the combatants and in the two Palestinian camps to the north.

Beddawi camp, above the banana groves on the coastal road, was almost deserted yesterday morning although families occasionally emerged from apparently deserted houses to make a hreak for safety. There was sporadic shellfire and the occasional rattle of machine gun fire. Mr Arafat's men looked tired after six days fighting, but are holding fast in most areas.

Mr Arafat accused the Syrians of breaking the ceasefire, saying they had hrought up a fresh mechanised division into northern Lebanon in addition to the one they already have in the area.

As he spoke there was the background roar of rockets being fired by his men against Syrian artillery which bad started shelling the port area. Local Lebanese leaders believe that Mr Arafat plans to hold on while political pressures mount for a permanent truce.

Palestinians in Tripoli claim the ceasefire was used as a ploy by the Syrians to postpone an escalation of the fighting until after the Gulf Cooperation Council meeting in Qatar had broken up.

Mr Arafat gave no indication that he plans to leave Tripoli – despite an offer yesterday hy Italy to bring him out of the city. He denied that local leaders had asked the PLO to leave.

Peace talks, Page 2

World Bank will test bond markets in major drive for funds

BY MARY ANN SIEGHART IN LONDON

The World Bank, the largest borrower on the international bond markets, is embarking on large new borrowing ventures in an effort to tap previously unused sources of funds.

Mr Eugene Rotberg, the bank's treasurer, said yesterday that it would issue its first ever floating-rate note (a bond with interest payments pegged to short-term interest rates) within six months. He also announced a new method of tapping central bank reserves and said the bank had expanded its activities in the short-term, floating rate "discount note" market in the U.S.

Floating-rate notes (FRNs) have been in the limelight over the last few weeks as demand from central and commercial banks has surged. Sweden issued a $500m FRN in the Euromarkets two weeks ago, which was promptly doubled to $1bn because demand was so strong. Faced with reschedulings from the debtor countries, the banks want to compensate on their balance sheets with floating-rate assets from good credits.

The World Bank, however, will use the U.S. domestic market rather than the Eurobond market for its FRNs and it intends to raise about $500m by this method in the next six or seven months.

Some of the money will be used for on-lending, helped by the change in rate-setting policy last year, which now allows the bank to reset its lending rates every six months. The interest on FRNs is also paid and reset twice yearly.

Some of the floating-rate money raised will, however, be "swapped" for fixed-rate funds. Here, a counterparty that has issued a fixed-rate bond will take on the World Bank's floating-rate liability and vice versa.

The bank also intends by the New Year to set up a facility for borrowing central bank reserves and paying interest based on a small margin over a comparable U.S. Treasury bill. The banks will be able to withdraw their money at two day's notice with no penalty. The World Bank hopes to draw in about $750m through that source.

Mr Rotberg also announced that the bank had issued more discount notes, the short-term money market paper issued on the U.S. domestic market. As of July, there was $1.5bn of those notes outstanding; that has been increased to $2bn.

Since July 1, the World Bank has borrowed $3.4bn worth of fixed-rate bonds in the international capital markets. But Mr Rotberg insists: "I cannot imagine there being any financial constraints to an increased borrowing role of the bank."

Peter Montagnon adds: The World Bank is looking at the possibility of creating a new affiliate to channel resources to developing countries, Mr Rotberg said yesterday.

Outlines of the proposal are still vague, however, and no particular plan has been submitted to member governments or to the bank's own board. This may still take several months, he said.

It is already clear, however, that any affiliate will not be used to take developing-country loans off the books of commercial banks, or to guarantee those loans. Nor would it subsidise interest rates charged on commercial bank loans.

The idea of an affiliate that would be able to lend several times its capital was first suggested by the Financial Times in September. Loan operations by the bank itself are restricted by charter and may not exceed its capital resources, including capital that is callable from member governments.

Mr Rotberg said the main purpose of such an affiliate, if it were approved, would be to work with commercial banks, encouraging them to do more joint lending with the World Bank to developing countries.

Analysis, Page 22; International Capital Markets, Page 44

Brazil unlikely to meet $6.5bn debt deadline

BY PETER MONTAGNON IN LONDON AND ANDREW WHITLEY IN RIO DE JANEIRO

SUBSCRIPTIONS to Brazil's $6.5bn loan from its commercial bank creditors, a crucial element in its $11bn debt rescue package, were approaching $4bn as the deadline for replies drew near last night.

Despite a rush of last-minute replies Brazil was not expected to raise the full amount by the subscription deadline of midnight New York time.

Pressure on banks to subscribe to the loan will continue next week as the International Monetary Fund executive board prepares to vote on Brazil's economic programme next Friday.

The difficulties of securing positive replies to the loan request are leading some creditor banks to consider other ways of helping Brazil in the longer term.

Support is growing among U.S. regional banks for a radical approach, including loans at subsidised interest rates, according to a leading Brazilian investment banker, just back from the U.S.

The case for a much fuller renegotiation of debt payments terms, including artificially low fixed-interest rates, was given powerful backing yesterday by Sr Olavo Satubal, president of Banco Itau, Brazil's second largest private bank.

Sr Satubal, who is a highly influential figure in the Brazilian business community and is being tipped as a future finance minister, called for a fresh renegotiation of Brazil's deht early in the New Year.

Privately, many U.S. and European bankers based in Brazil agree that given the mounting political pressures on the Figueiredo Government it would be sensible soon to devise a formula that would give Brazil more relief from external financial pressures than is now in prospect. The Brazilian Government is concerned about the need to ensure a smooth transition to a civilian president within the next 15 months.

In the short term, however, attention will focus on the looming IMF deadline as replies to the $6.5bn loan request continue to flow.

Bankers in New York said yesterday that one positive sign was that subscriptions were coming in from some critical, smaller banks and no bank of substance had so far declined to subscribe.

Until now slow replies have been mainly the result of the administrative need for creditor banks to obtain board authorisation for the loan.

By late today, however, it should be possible to indentify pockets of resistance to the loan. They are expected to concentrate mainly on smaller banks in the U.S. and Southern Europe.

Pressure on these banks will continue even after next Friday's IMF vote. On Monday Mr William Rhodes, chairman of the 14-bank advisory committee of leading creditor banks, is due to report to the Fund on the loan's progress.

New hope for U.S. payment to IMF, Page 44

Britain isolated in EEC budget wrangle

By John Wyles in Athens

EEC Ministers ended the second day of their vital financial negotiations in Athens last night with Britain isolated over how to resolve its budget payments issue and with little progress made on other Community reform issues.

That leaves the Foreign, Finance and Agriculture Ministers with a great deal to do on the closing day today of their special meeting to prevent dire prophecies of doom for the Heads of Government summit in the Greek capital early next month from coming true.

Attention is now focusing on the UK's approach to the negotiations. Sir Geoffrey Howe, the British Foreign Secretary, and Mrs Margaret Thatcher, the Prime Minister, face the difficult tactical choice between seeking a hudget deal on the hasis desired by other member states or forcing a summit showdown in a hid to secure a long-term solution in accordance with British proposals.

Agriculture Ministers yesterday spent hours confirming that they were divided on how to secure economies in the Common Agricultural Policy, particularly in its highly expensive dairy sector.

Meanwhile, meeting separately, Foreign Ministers continued their so far fruitless search for agreement on a priority list of new EEC policies to be endorsed by next month's summit.

Much to the UK's relief, though, the European Commission's latest method of calculating the British budget problem as less than half the current gap between the UK's payments to and receipts from Brussels drew little support yesterday. Neither, however, was any other delegation prepared to accept that the gap to be closed should be measured as the "net balance" between payments and receipts for which Sir Geoffrey has been arguing.

They were instead rallying around a Danish idea, and variants it, that the gap should be the difference between Britain's share of EEC gross domestic product and its share of budget payments. That may, however, produce a result just as unacceptable to the UK as is the Commission's proposal.

Ministers were expected to consider a compromise table by the Greek presidency of the Council of Ministers, which is based on the

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Why Britain is at odds with the EEC, Page 2

Creusot-Loire saved from bankruptcy

BY DAVID MARSH IN PARIS

CREUSOT-LOIRE, the financially-stricken French engineering group, was saved from bankruptcy yesterday after a last-minute compromise over the financial details of a rescue programme hammered out last month.

After a marathon round of talks at the French Treasury which lasted until the early hours of yesterday morning, French banks and the Government have agreed to accept a smaller contribution to the rescue package from the Empain Schneider group, which is the company's main shareholder.

In particular, Schneider, a central holding company in the group, will be putting up a smaller amount of funds to subscribe to a prospective Creusot-Loire capital increase, and will also be lowering its direct guarantees on bank loans being made to the company.

The banks and the Government's industry intervention fund, FDES, are playing an important role in the overall package, which adds up to a total of FFr 6bn ($730m) in capital injections from a variety of asset sales, bank loans and capital market issues during the next three to four years.

The banks had jibbed at Schneider's insistence on reducing its stake in the package, which the Empain Schneider group had claimed could lead to the dismemberment of its entire industrial empire. But M Didier Pineau-Valencienne, chairman of Creusot-Loire, had threatened – as he has repeatedly in recent months – to file for bankruptcy unless accord was reached.

Under the compromise reached yesterday, Creusot-Loire's capital will still be raised by FFr 720m during the next few years, as planned under last month's package. But Schneider will be putting up only FFr 200m immediately, to be followed by another FFr 100m at the end of 1986. Additionally, FFr 220m in funds which Schneider has already advanced to Creusot-Loire will be consolidated into a capital increase, while FFr 200m will be put up by other Creusot-Loire shareholders, which include the Wendel family's private steel group.

Additionally, the amount of Schneider guarantees on subordinated bank loans will be reduced from the minimum FFr 300m initially agreed to FFr 200m.

UK union not to defy labour law

By Our London Staff

A BRITISH trade union, the Post Office Engineering Union (POEU), yesterday agreed to comply with a court order not to continue industrial action. Its decision, taken overwhelmingly by delegates at the union's conference, averted what would have been the first serious defiance of labour legislation introduced by the Conservative Government.

The UK Appeal Court on Wednesday made a temporary order under the 1982 Employment Act, giving the POEU 48 hours to call off its industrial action against the private company Mercury Communications. Engineers employed by the state-owned British Telecom had been instructed by their union not to connect Mercury to the public telecommunications network.

The POEU has been campaigning vigorously against the proposed privatisation of British Telecom next year.

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Swedish unions demand 7% wage rise

By David Brown in Stockholm

SWEDEN'S blue collar trade union federation, Landsorganisation (LO) yesterday fired the opening shot in the potentially contentious 1984 national pay negotiations by demanding an average 7 per cent wage increase for its 2.2m members.

The demand, including increases from the previous pay round still to be implemented as well as new employer taxes and levies, implies an increase of 11 per cent in labour costs, according to the employer's federation.

The Government had wanted a 6 per cent limit on the wage demand as part of its emergency programme to bring the economy under control. It said it was necessary to achieve an inflation target of 4 per cent next year — a goal widely considered hopelessly optimistic.

Inflation has been running at 9.3 per cent on a 12-month basis, but has moderated to 8.1 per cent over the past three months.

In this year's pay agreement, the LO accepted an average decline of some 2 per cent in real incomes. This followed a government request for moderation after the 16 per cent devaluation of the krona last October.

Since the start of the year, industrial profitability has almost doubled, due largely to a boom in exports. Mr Stig Malm, the LO leader, said yesterday that high corporate profits should allow a real increase in this years' pay round.

He said the pay for LO workers cannot be allowed to fall further behind white collar salaried employees who will benefit from a marginal tax reform agreed between the previous Centre-Liberal coalition Government and the Social Democrats.

Mr Kjell Olof Feldt, the Finance Minister, yesterday announced changes in the marginal tax agreement which decrease the benefit to relatively higher paid workers like white collar employees. The new plan will finance a tax shortfall of some SKr 3.3bn (£282m) over the next two years, with controversial new taxes on company payrolls, or so-called factors of production.

The white collar workers rejected the change and said they will have to renegotiate a two-year pay agreement signed earlier this year.

FINANCIAL TIMES, USPS No. 190640, published daily except Sundays and holidays. U.S. subscription rates $420.00 per annum. Second class postage paid at New York NY and at additional mailing offices. POSTMASTER: send address changes to: FINANCIAL TIMES, 75 Rockefeller Plaza, NY, NY 10019.

TEHRAN RETALIATES FOR JET SALE TO IRAQ

Iran severs its ties with France

BY DAVID HOUSEGO IN PARIS

THE IRANIAN Government appears to have imposed an almost total boycott on trade and economic ties with France in retaliation for the French sale to Iraq of five Super Etendard aircraft.

According to the French commercial counsellor in Tehran, the Iranian Government has forbidden imports from France and said that French banks will be cut out from the financing of Iranian oil sales.

The French Ministry of *Foreign Affairs* also *confirmed* yesterday that Iran has asked France to close its commercial office in Paris as well as the French research institutes in Tehran. The two institutes, for archaeology and Iranian studies, have effectively ceased operation for some time.

A spokesman for the Quai d'Orsay said last night that the reprisals were not surprising. The Government has drawn consolation from the fact that Iran has not given any publicity to its decisions.

It remains to be seen how tightly they will be enforced. But the Iranian reaction does carry the risk of heavier retaliation should Iraq use its Super Etendards against tankers that have loaded in Iranian ports.

French exports to Iran fell by 40 per cent to FFr 2.1bn (£175m) last year compared to 1981. On the other hand France has stepped up sharply its purchases of Iranian oil as reflected in the rise in imports which expanded by 129 per cent last year to FFr 5.9bn. In the first eight months of this year purchases from Iran accounted for 6 per cent of French oil imports.

Potentially the most serious impact of the Iranian measures will be the exclusion of French banks from financing Iranian oil sales. Their role in this $15bn-$20bn market is said to be considerable.

France has taken the risk of supplying Iraq with Super-Etendards in the belief that Iraq should not be allowed to lose the Gulf war. The French increasingly believe that their action has the support of the Gulf states—which fear the instability in the region that could follow an Iraqi defeat—and of other Western governments. The Security Council has recently approved a French initiated resolution calling for a ceasefire in Gulf waters

Space rocket dispute with Britain simmers

BY DAVID MARSH IN PARIS

A FRANCO-BRITISH diplomatic dispute is simmering over the likelihood that the UK Defence Ministry will choose the U.S. space shuttle rather than the European rocket Ariane to launch a sophisticated military communications satellite in three years time.

France is placing pressure on Britain to choose Ariane for the launch of the Skynet IV satellite in order to cement European collaboration in the effort to catch up the U.S. lead in the space race.

The Ministry of Defence in London says Britain has not made a firm decision. But the shuttle does seem likely to be selected. Britain is believed to have made some advance payments to Nasa to prepare for the launch, which will probably be in 1986.

The issue was raised last month in talks between M Charles Hernu, the French Defence Minister, and Mr Michael Heseltine, his British counterpart. The British and French industry ministries have had several contacts on the matter, and Mme Edith Cresson, the French Trade Minister, also intends to push the French case.

The French are concerned that Britain seems to be turning its back on using the European rocket for the Skynet launch in spite of UK participation in the Ariane programme. Additionally, Matra, the French state-controlled defence and electronics group, is a key partner of British Aerospace, in the consortium building Skynet.

The dispute comes about at a time when France is already ill at ease over lack of British Government enthusiasm for the next generation of Airbus

Commission rail finance plan wins support

By Paul Cheeseright in Brussels

EEC RAILWAY chiefs have given broad approval to the European Commission's attempt to define proposals for a radical financial structuring of the Ten's railway networks. It would be part of a broader plan to create a transport policy balanced between road and rail.

The Commission's ideas, which first surfaced at the beginning of the year, include:

- state takeover of the infrastructure;
- reduction of accumulated debt;
- splitting the railway's social services from its commercial services, with the public authorities paying for the former;
- placing the system of state subsidies into the context of a broader plan aimed at restoring the railways' financial health.

Early political approval of these ideas is unlikely, given the British Government's manifest lack of willingness to take on the charges of maintaining British Rail's track.

France and West Germany, however, have shown increasing interest in seeking EEC solutions to the financial problems of their networks.

Missiles deployment reaffirmed by Nato high-level group

BY ALAN FRIEDMAN IN ROME

NATO'S high-level Special Consultative Group yesterday reaffirmed that deployment of U.S. Pershing 2 and cruise missiles in Europe will begin on schedule. Mr Richard Burt, U.S. Under-Secretary of State for European Affairs, said here last night that missiles deployed in Europe "will be operational by the end of the year." He would not be drawn, however, on whether this included missiles deployed in Italy.

Mr Burt said the SCG had urged the Soviet Union to abandon its threats to leave the negotiating table in Geneva and to work with the U.S. to achieve an agreement.

The ideas presented by President Yuri Andropov last month—which included a proposal to freeze Soviet missiles in the Far East—contained "some interesting elements which need to be examined in Geneva," said Mr Burt. He added, however, that they still fall far short of meeting the "legitimate security concerns of the alliance."

Yesterday's meeting which could well be the last top level Nato consultation before deployment of cruise missiles, is believed to have discussed the possibility of a new U.S. proposal at the Geneva talks. There were reports last week that Mr Paul Nitze, the U.S. negotiator, wants to make as precise a proposal as possible as a gesture of goodwill.

Mr Burt, however, refused to discuss any new proposal and said only that, on the basis of yesterday's consultations, "the Secretary of State will give his views to the President."

The SCG noted that deployment of cruise missiles could be stopped or reversed as soon as an agreement is reached that warrants such action. But Mr Burt said there continued to be "a relentless momentum in the Soviet military modernisation programme." He ruled out the idea, which has been mooted in Washington, of merging at this stage the Start talks on strategic nuclear weapons and the Geneva negotiations.

Commenting on the health of Mr Andropov, Mr Burt said this had cast a shadow of uncertainty over the Geneva negotiations. In a reference to the mass protests againt the deployment of cruise missiles which have been sweeping European capitals in recent weeks, he acknowledged that "peace movements are something which we take into account."

Hungary's output on target

By Leslie Colitt in Berlin

HUNGARY's industrial production rose by 1.2 per cent in the first nine months of the year compared with the same period of 1982, thus fulfilling this year's target of between 1 per cent and 2 per cent growth, according to statistics released in Budapest.

Food production rose by 3.2 per cent and mechanical engineering 2.2 per cent, while coal mining fell 2.9 per cent.

Exports improved by 17.7 per cent, while imports were up 13.4 per cent. Retail prices in September were 8.3 per cent higher than at the end of last year.

Mr Ferenc Havasi, the Politburo member responsible for the economy, had said earlier that this year's poor harvest, with a shortfall of more than 2m tonnes of grain and maize, would lead to a drop in exports of between $250m and $300m from the export target of $800m.

He added that some 200 collective and state farms might end the year with losses.

Why Britain is at odds with EEC

BY JOHN WYLES IN ATHENS

"THE COMMISSION is taking away the football, replacing it with a baseball and expecting everyone to continue playing the same game" – Sir Geoffrey Howe – the British Foreign Secretary.

"The British solution could never command a majority in the parliaments of our ten countries" – M Gaston Thorn, President of the European Commission.

These rhetorical exchanges in Athens yesterday sum up the apparently irreconcilable approaches to finding a solution to the budget problem which has snagged the UK's relations with its EEC partners for the last four and a half years.

On Monday, the Commission adopted a proposal, only parts of which have been declared anathema by Sir Geoffrey Howe and Mrs Thatcher, which attempts three things:

- To build on the Commission's initial ideas for a solution which would have cut Britain's payments to the EEC by 500m European Currency Units ($423m) specifically by relieving it of some of the costs of financing the Common Agricultural Policy.
- To redefine the nature of the British budget problem by claiming for accounting purposes that Britain's receipts from agriculture, are a round Ecu 400m more than they actually were in 1982.

These total receipts are then expressed in terms of head of British population and measured against the per capital spending from the EEC budget in the whole community.

Unofficial figures point to a gap of Ecu 15 between the Ecu 49 per head of population received by the UK and the Ecu 64 average for the community as a whole.

The Commission says that this points to an expenditure gap in the UK worth just over Ecu 800m which should be closed by negotiation, adding in the Ecu 500m from the initial proposal. It offers the UK a total possible reduction in its payments of Ecu 1.34bn.

- Finally, the Commission sought to amalgamate elements of alternative proposals tabled by West Germany and Denmark. These sought to express the British budget problem in terms of its share of payments for the EEC budget and its share of Community gross domestic product.

The common element in all three approaches is that they seek to solve the problem in terms of aligning Britain's receipts from the Community with some kind of average, based either on wealth or total receipts from the budget.

They are all numerically and philosophically distant from the British approach. The German plan could offer relief worth just over Ecu 1bn, while the Danish might yield Ecu 600m.

Britain, however, says the gap should continue to be measured in the same way that it has been for the last five years, and which provided the basis for ad hoc rebates on the UK's payments between 1980 and 1983.

In other words, the difference between what is paid to Brussels in customs duties, agricultural levies and transferred VAT payments and what is received by Community spending in the UK. On this basis, the UK paid Ecu 2.036bn more than it received in 1982.

The British go on to argue that their net contributions should be limited by a safety net expressed as a proportion of the UK gross domestic product – the solution which M Thorn believes unacceptable to many member states.

It is obviously in the financial interests of other members states to define the British problem in the lowest possible terms. They also have reasons for defining the problem in terms of what Britian is receiving from Brussels and what it might be fairer for it to receive.

They say that by joining the EEC the UK signed away its right to consider its payments to the Community as its own money – they are, after all known as EEC "own resources." Moreover, the customs duties and levies – about 45 per cent of the Ecu 4.37bn the UK sent to Brussels in 1982 – are fixed by Community law and no conceivable burden on the UK Exchequer. Nor are they necessarily "lost" revenue, since if it was outside the Community the UK would be unlikely to be levying imports on agricultural products.

But there is an inconsistency in the approach favoured by all other member states and the Commission. They refuse to accept that the gap should be measured as a "net balance" as favoured by the UK.

Output rises in W. German electronics

By John Davies in Frankfurt

West Germany's electronics and electrical engineering industry expects production to pick up strongly next year, provided wages do not rise excessively.

It sees output rising about 1 per cent in value this year, and believes business could gather pace in 1984 with a 3 per cent rise in output and more workers employed.

Export orders recovered in the third quarter of this year for the first time since mid-1982. Foreign orders were up 5.7 per cent on a year ago; domestic orders were 4 per cent ahead.

The industry sees the biggest threat to its continued recovery in the growing demands of unions, spearheaded by IG Metall, for a cut in the working week from 40 to 35 hours.

The demand was described as unrealistic by Prof. Rudolf Scheid, director of the Electrical Engineering Association.

Confindustria climbs down over pay index

By James Buxton in Rome

CONFINDUSTRIA, the Italian private-sector employers' association, yesterday climbed down over the contentious issue of paying wage increases under the scala mobile (sliding scale) indexation system.

But it did so only with a view to obtaining concessions when the whole wage indexation issue is reviewed with the Government and unions next month.

The organisation's council invited its members to pay wage rises this month in line with all three points registered by the index in the past quarter, though they may use their "discretion" as to whether to or not.

Confindustria reiterated it is not obliged to pay a wage increase for one of those index points, because it consists of accumulated fractions of previous points which should have been cancelled, according to the employers' interpretation of the Janaury agreement on the Scala Mobile.

Although Italy designs some of the weapons it produces, such as the Agusta anti-tank helicoper (right), most are made under licence. This allows U.S. and West German manufacturers to reach markets otherwise not open to them. The country's defence industry, now probably equal with Britain as the fourth largest in the world, explains a lot about modern Italy, James Buxton reports from Rome.

In defence of a laissez-faire policy

WHICH COUNTRY follows the U.S., the Soviet Union and France as the world's fourth largest arms exporter? The answer, according to some authorities, is not Britain but Italy.

Exact placings in the league table are less important than the fact that Britain and Italy are close together, a long way below France. Whereas people expect Britain, with its big armed forces, to have a large defence industry, they do not expect it of a notably unwarlike country like Italy.

Italian arms exports grew faster than those of any other industrial category between 1976 and 1980, and the number of people working in the defence industry doubled in the 1970 to at least 80,000. Industry sales in 1980 amounted to about Lire 4,000bn (about $4bn at the then exchange rate) of which more than half were exported. Defence equipment accounted for about 2.5 per cent of all manufacturing.

The sudden rise of the defence industry explains a great deal about modern Italy. It happened without an official plan, even though about half the main companies involved are state-owned. The industry is highly export-oriented, as Italy is one of the lowest spenders on defence per head of population in Nato, and the Ministry of Defence spends very little on research and development. While the defence industry has grown, a re-equipment programme for the Italian armed forces has slipped back.

The story is a classic example of Italian industry responding to a growing overseas market and flourishing because of rather than in spite of a lack of Government direction. It relies on a network of company managers, officials and a few well-placed politicians to get things done. A none-too-restrictive Government policy on arms exports, and the skill and flexibility of Italian arms salesman have also helped.

The fact that the Italian armed forces cannot afford to spend much on new equipment may even be an advantage. Whereas the British defence industry is obliged to meet the needs of the British forces for sophisticated, often tailor-made weapons which may be too complicated or secret to sell outside Nato, the Italian industry can largely make what the market, especially Third World countries, actually wants.

U.S. cruise missile components and related equipment will begin arriving in Italy before the end of this month, Sig. Giovanni Spadolini, the Italian Defence Minister, told parliament yesterday, writes Alan Friedman in Rome. He stressed, however, that the missiles would not become fully operational until next March.

The minister confirmed the missile parts would arrive at the Sigonella U.S. navy air base in Sicily, about 100 km from the permanent cruise site at Comiso. At least 16 cruise missiles are expected to be installed initially at Comiso; 112 are scheduled for deployment during the next three years.

The Italian military buys some of the equipment — virtually essential if the weapons are to carry conviction elsewhere — but its requirements are not paramount; it is expected to serve the interests of the industry, rather than the other way round.

When Italy's defence industry was rebuilt after the second world war, it was heavily dependent on manufacturing under licences conceded mainly by the U.S. — Fiat, for example, built the F86 super Sabre fighter. To this day, only Japan among industrialised countries makes more defence products under licence.

Agusta, the successful State-controlled helicopter maker, depends on licences from Bell, Sikorsky and Boeing of the U.S., while Oto-Melara produces its own version of the German Leopard tank, the Fiat-engined Lion, which it has sold to Libya and Abu Dhabi.

Manufacturing under licence helps make up for the smallness of the Ministry of Defence allocation for research and development, and manufacturing in Italy enables countries like the U.S. and West Germany to reach markets they may not wish to be seen to be dealing with, such as Iraq and Libya.

Italy, which is a partner in the Tornado aircraft project with Britain and West Germany, is now making more and more domestically-designed equipment, however. Aermacchi is building the AMX light attack the battlefield support aircraft, a successor to the line of light fighters which Italy has been making largely on its own since the late 1950s. These include the Aermacchi MB 339, one of which is supposed to have sunk a British frigate in the Falklands war last year.

Agusta recently presented its own designed Mangusta anti-tank helicopter. The Lupo and Maestrale frigates, built by Cantieri Navali Riuniti continue the long tradition of warship building and also provide platforms for the products of the defence electronics sector, headed by Selenia. Electronics is the second most important sector after aerospace in the Italian defence industry, and one of the few heavy research spenders.

Although Italy sells some arms to other Nato members, it is reckoned that developing countries take about three-quarters of defence exports—especially Libya, Egypt, Peru, Argentina, Brazil, Malaysia and South Africa (which has bought aircraft, among other things, despite being officially embargoed).

Iraq may currently be Italy's biggest market—in 1981 it placed the biggest export order Italy has ever received—for four frigates, six corvettes, a tanker, and a floating dock, valued at $1.8bn. Because of Iraq's financial difficulties Italy is believed to have taken some of the payment for the ships in crude oil.

The Iran-Iraq war, now in its fourth year, has been a god-send for the Italian defence industry, offsetting the downturn in sales to other parts of the Third World and the slowdown in defence purchases by the Nato countries. "As well as equipment sales to Iraq, the really spectacular growth has been in the sale of shells, rockets, ammunition, mines and detonators and spare parts. The private sector company BPD, which makes explosives and rocket fuel, expects its sales to rise from L153bn in 1981 to L340bn this year, thanks in large part to Iraq. Though less is said about it, Italian companies also sell much ordnance to Iran.

Part of Italy's success in defence sales is due to the skill of its salesmen. "They know exactly who to pay the commissions to, and how much to give them, and they cover everyone," said one businessman in the defence sales business.

Although Italy has a reputation for having lax controls on arms exports—a fact exploited by arms manufacturers in other countries who sometimes physically export through Italy—the export approval procedures are complicated and subject to bureaucratic delay, which is sometimes damaging.

Yet there are insistent reports that the procedures are speeded up or shortened when necessary, and the very wide range of countries to which Italy sells arms, some of them in dispute with each other, does not suggest rigid controls.

Perhaps because of this, the Government is extremely reluctant to give much information on the defence industry and its sales—a fact which infuriates the industry's critics. They argue that the industry is a good deal less impressive than it looks, being heavily dependent on foreign licences and on imported key components—such as engines for ships and aircraft.

But the most serious criticism, according to Sig Falco Accame, until recently a Socialist MP and a former naval officer, is that "there is a nexus of corruption running through the whole business." He alleges that the commissions which supposedly go to foreign buyers are in fact largely distributed among helpful officers, bureaucrats, middlemen and political parties in Italy. But though this is a widely held view, hard evidence is scarce and a draft Bill to be put to Parliament to regulate the arms industry got nowhere.

As the U.S. changes its Mideast tactics, Jordan considers its future

Arab moderate pushed to brink

BY RAMI G. KHOURI IN AMMAN

Jordan, long touted as a key moderate Arab state crucial to the West's desire to bring about a negotiated Arab-Israeli peace and to minimise Soviet influence in the area, is beginning to question the real benefits of its political approach.

Several recent developments have focused the debate, including:

- Attacks against Jordanian diplomats during the last two weeks in which one official in Athens was killed and several others injured in New Delhi and Rome.
- Two small bombings against police and army in Amman and Zerqua.
- The recent U.S. Congressional rejection of a White House request for $220m to set up a Jordanian-American strike force to come to the aid of any beleaguered Arab state in the Gulf.
- The reinvigorated pace of U.S.-Israeli discussions on strategic co-operation following the visit to Israel of Under-Secretary of State Lawrence Eagleburger.
- The redefinition by President Ronald Reagan of the role of the Marines in Lebanon as being to counter Soviet-Syrian influence in the region.

Jordanians are now living with an uncomfortable feeling of being hemmed in by more powerful and menacing ideological and military forces: the Syrians to the north, the Israelis to the west and the Iranians to the east.

The Syrians, with the Palestinian groups which have opted to fall in with them, have made it clear that they are working to thwart what they perceive to be a readiness by King Hussein of Jordan to seek a Middle East peace accord based on the general outlines of the Reagan plan of September 1982.

The Iranians are working with the Syrians to reduce the regional power of Iraq, Jordan's important eastern neighbour, ally and erstwhile financial backer.

The right-wing Israeli coalition in power remains favourably inclined to try to resolve the Palestinian issue by removing the Hashemite Jordanian leadership of King Hussein, and allowing the Palestinians to set up their state in Jordan east of the Jordan River.

Jordanian disillusionment with U.S. policies in the region has been frequently expressed in recent years by all sectors of Jordanian society, from King Hussein down. In the past decade, a lack of movement on the political front was largely camouflaged in the eyes and pockets of ordinary Jordanians and other Arabs by the rush of money and economic development that was sparked by the 1973-74 increase in international oil prices.

Today, however, the pan-Arab oil bonanza has slowed down considerably and Jordan is feeling it in the form of a $500m shortfall in Arab grant aid for both this year and next.

The key issue that emerges in every discussion now is the nature and value of American-Jordanian ties, in view of the obvious U.S. policy of favouring Israel over the Arab countries. Jordanian moderation is both a reflection of the character of the leadership of King Hussein, and of powerful material imperatives that dictate a balanced policy based on friendly ties with the stronger Arab economies all around it.

The redefinition of U.S. policy directing it at reducing Soviet influence and countering Syria's growing role has only aggravated Jordanian doubts about the compatibility of Washington's three desires to remain the bulwark of Israel, to thwart Soviet influence and to strengthen ties with the moderate Arabs.

As perhaps the most moderate and consistent Arab state for the past 30 years, Jordan is feeling more and more empty-handed, a feeling exacerbated by the news that Mr Eagleburger's trip to Israel included discussions about improving the terms of U.S. aid to Israel by switching more of the $2.5bn given annually from loans to grants.

With its diplomats and internal security forces under threat, its economy squeezed and its regional political role dwarfed by the more activist, aggressive policies of Syria and Israel, Jordan is on the verge of making a series of domestic and international adjustments reflecting the more inward-looking, non-aligned policy which is favoured by the vast majority of the population.

Such a slow, perhaps even subtle shift away from its traditional heavy reliance on U.S. arms purchases (in favour of European and perhaps Far Eastern suppliers) should soon be coupled with moves to reinstate political participation inside the country, keyed around any elected national parliament which was suspended in 1974.

Many observers in Aman fear that the signals emerging from the disappointed heartland of Arab moderation will mean the breakdown of the traditional Arab resort to consensus politics, a focussing on internal affairs, and the institution of more democratic political systems that will allow the Arab people to express their feelings more honestly and openly. Such expression will inevitably have an overtly anti-American ring to it which the present leadership will seek to pre-empt by redefining Arab moderation as Arab non-alignment.

If the Americans are going to deal more closely with the Israelis and challenge the Soviet Union in the Middle East, they should not be surprised if Arab moderates who do not want to get caught in a struggle of superpower surrogates go their own way and look after their own interests.

This is the message today from Jordan — where Arab moderation has always found its most coherent expression, but where it is now threatened by a combination of bullets, bombs and regional bullies.

KING HUSSEIN (right) warned yesterday that Jordan may retaliate for attacks on its diplomats abroad, the official Jordanian news agency Petra reported. The King said those responsible "are mistaken if they think that Jordan . . . is incapable of retaliation and cutting off the hands of intrigue and evil."

He also said the Palestinian faction fighting in Lebanon was treason against the Palestine Liberation Organisation (PLO). The legality of the PLO is the target of the guns and rockets which are being directed by the hands of treason and treachery, he said.

Nigeria's Shagari names new Cabinet

By Michael Holman in Lusaka

PRESIDENT Shehu Shagari of Nigeria yesterday allocated portfolios to 29 of the ministers in his new administration at a swearing-in ceremony here.

The new Minister of Finance is Mallam Adamu Ciroma, Governor of the Central Bank in the mid-1970s and Minister of Agriculture in the former administration.

The post of Foreign Affairs Minister is left open but, it is widely expected in Lagos, that it will go to Mr Emeka Anyaoku, the former assistant Commonwealth Secretary-General, who failed to obtain Senate confirmation. President Shagari, it is thought, will resubmit his name.

Unita says it downed Angola airliner

By Diana Smith in Lisbon

THE Angolan guerrilla movement Unita has claimed responsibility in a communique released in Lisbon for Tuesday's crash of an Angolan airliner.

Some 126 people were killed in the crash.

Unita claims that the aircraft was carrying military recruits for the Fapla the Angolan armed forces.

Geneva talks tackle Lebanon armed forces

BY ANTHONY McDERMOTT IN GENEVA

THE LEBANESE Commission set up here to discuss reforms of the future political and constitutional structure of the country yesterday grappled with the sensitive subject of the armed forces.

This came after an announcement late Wednesday evening that substantial progress had been made during the commission's six meetings in three days which followed the five-day conference on national reconciliation, chaired by President Amin Gemayel.

The commission, which represents the eight political and religious factions in Lebanon and has no set chairman "they meet as gentlemen," was one comment, re-inforced the view accepted at the main conference that the National Charter or constitution of 1943 should be reformed.

The Charter ensured the dominance of Christian Maronites over Moslems in individual senior political posts and on a 6-5 basis in Parliament.

Some of the decisions announced on Wednesday, notably the formation of a higher constitutional court and of a supreme court, have been under intermittent discussion for years.

But two new proposals emerged. First, the position of Vice President should be created and held by a Sunni Moslem to offset what would continue to be a Christian President. Second, a Senate or upper House should be established.

But while these agreements reflect the serious and constructive attitudes which the main conference eventually adopted, there are many stages before implementation.

First, as a Lebanese source pointed out: "These gentlemen (of the commission) do not make law, only proposals." The proposals will be submitted to the conference proper, which was originally due to reconvene here on November 14. It is now expected to re-open about November 21.

Second, whatever is then agreed will have to be submitted to the Lebanese Parliament.

Third is the issue of whether the proposals be enforced. That will depend on which areas of Lebanon are still occupied, and by whom.

Swiss delivers trainers to Iran

BY OUR GENEVA CORRESPONDENT

SWITZERLAND has delivered to Iran six Pilatus PC-7 training aircraft which can be adapted to become light attack planes.

Although these are hardly likely to alter the balance of air power in the Gulf war—particularly since the delivery to Iraq of Super-Etendards armed with Exocet missiles—they will cause a political storm here. By law, Switzerland is forbidden to sell arms to areas of war or tension.

There has already been a hostile response to the news last week that the Federal Council (Cabinet) was considering selling armoured cars to Taiwan.

The six PC-7s were made at a factory in Stans by a subsidiary of Oerlikon-Buehrle. Their delivery in September has only just come to light in the latest customs return. They cost SwFr 8.7m (£2.7m) and were entered as "aircraft with mechanisms for propulsion." Pilatus has refused comment, and the government in Berne does not regard the aircraft as war material.

But that these aircraft can be converted is well known—in particular to Britain. In 1976, Britain complained against the sale of 12 PC-7s to Guatemala because of their potential use against Belize. Before final delivery, these aircraft were refitted in Belgium to carry machine-guns, rockets and bombs.

Iraq received 52 of these aircraft in 1980, and about 330 are currently in operation worldwide with 12 air forces. Besides Iran, Mexico has 55 and Malaysia 44.

The RAF has been exploring for three or four years the possibility of buying up to 150 of these turbo-propeller driven aircraft as a replacement for the Jet Provost Mark 5 trainer.

● Britain has no plans to sell Jaguar fighter-bombers to Iran to offset French sales of Super-Etendard warplanes to Iraq, Reuter reports from London.

The Beirut newspaper as-Safir reported that Iran wanted to buy an unspecified number of Jaguars.

Israel 'to thin out its forces'

By David Lennon in Tel Aviv

ISRAEL WILL thin out its forces in Lebanon "in the near" future and total withdrawal is in sight, according to Mr Yitzhak Shamir, the Prime Minister.

Speaking on Israel television, Mr Shamir said "I believe we are approaching the end of the 'Peace for Galilee' war." The invasion of Lebanon had achieved its main objective, security for the Galilee and the destruction of PLO infrastructure in Lebanon, he said.

Mr Shamir did not explain the grounds for his optimism and said that a simultaneous withdrawal of Syrian forces from Lebanon remained a condition for the Israeli pull back.

Australia sees boost in balance of payments

By Colin Chapman in Canberra

SUBSTANTIAL improvements in two important economic indicators yesterday helped confirm the Hawke Government's belief that a substantial upturn in Australia's fortunes is now well in train.

Another strong surge of overseas capital helped Australia last month to reach its highest monthly balance of payments surplus on record of A$1.26bn, while unemployment followed inflation down into single figures.

The trade figures also confirmed the sharp recovery in rural exports following the end of the four-year drought. Rural exports in October rose by 30 per cent over the previous month, with an increase in grain exports of 90 per cent as the first shipments were made of the new season's wheat crop, which is expected to be a record 19m tonnes.

Exports overall rose by A$282m, or 16 per cent. There was also a 6 per cent increase in imports, but the balance of trade was in the black by A$37m.

Of the A$1.755bn capital inflow, government borrowing accounted for A$1.08bn.

Japan-U.S. package aims to liberalise Tokyo money market

BY CHARLES SMITH, FAR EAST EDITOR, IN TOKYO

JAPAN AND the U.S. yesterday unveiled what both sides claimed was major programme of mutual action to ensure a more realistic exchange rate between the yen and the dollar.

The programme includes commitments by Japan to open up its capital and financial markets and a promise on the American side to introduce "additional measures" to reduce public spending. Undertakings made by both parties are to be reviewed by a special committee consisting of representatives from the U.S. Treasury and the Japanese Finance Ministry whose first meeting will be held next February.

U.S. officials accompanying President Reagan told journalists this evening that the joint programme represented a major achievement and that Japan's contribution to it was unusual in that specific dates had been set for some of the measures the Ministry of Finance has undertaken to introduce.

A majority of the Japanese "commitments" were, however, announced in the package of economic measures presented by the Government on October 21.

The most important of the Japanes measures are:

● The abolition of limitations on the Tokyo foreign exchange market which prevents forward dealing except on actual trade contracts;

● the introduction of a Bill to allow the issuing of Government bonds denominated in foreign currencies—the so-called Nakasone bonds;

● the study of a scheme to introduce a yen-denominated bankers' acceptance market; the introduction of a Bill to liberalise the restrictions on foreign investment in companies on the Finance Ministry's special list.

Proposals to liberalise forward dealings on the foreign exchange market have been under discussion for some time between the Bank of Japan, the Ministry of Finance and the Ministry of Trade and Industry but the measures now apparently to be implemented are more far reaching than was previously thought.

The purpose of this liberalisation is to remove an obstacle to hedging against currency fluctuations by bona fide importers. However the move could also have the effect of making the Tokyo foreign exchange market more open to speculative dealing than in the past.

The introduction of a bankers' acceptance market in Tokyo is one of a number of measures that have been advocated for some time by the Ministry of International Trade and Industry to encourage the use of the yen (in place of the dollar) for Japanese import contracts as yen denominated imports would be cheaper.

The Bank of Japan, which opposes a proliferation of money markets in Tokyo, has up to now stood against this proposal.

Apart from measures directly designed to encourage imports or to bolster the exchange rate of the yen, Japan has committed itself to a further liberalisation of the certificates of deposit (CD) system by which Japanese and foreign banks raise yen funds in the domestic market.

Steps have also been taken to allow Japanese and resident borrowers to float Euro-yen bonds — something which the Finance Ministry has opposed. A review of the withholding tax on interest earnings on Euro-yen bonds could also make such issues easier.

Initial reaction in Tokyo to the U.S.-Japan agreements on capital flows and on measures to boost the yen was that they constituted a package put together to give an appearance of success to the summit meeting. The agreement could nevertheless provide a further impetus to the efforts of both countries to solve the problem of a chronically undervalued yen.

Trade friction, Page 6

Marcos says businessmen to blame for crisis

BY EMILIA YAGAZA IN MANILA

PHILIPPINE President Ferdinand Marcos, beleaguered by continuing anti-government demonstrations in Manila's business districts, yesterday hit back at the businessmen, blaming them for the current economic crisis.

After a series of friendly discussions with top business leaders on how to help abate present economic difficulties, Mr Marcos has now accused private businessmen of unscrupulous practices that fleece the Government of substantial revenues.

Speaking before hundreds of local and foreign businessmen at Malacanang, the presidential palace, Mr Marcos said that business leaders blame his leadership for the crisis, "but our problem is financial, and monetary in nature."

At the same time he said this, two influential business leaders told foreign reporters: "Our problem is political." They said that unless the political uncertainty is resolved soon, particularly the issue of succession to the presidency, the economy will have a "showdown" by the first quarter of 1984.

Since last September, weekly demonstrations have been staged by businessmen, office executives and employees in business districts, particularly at Ayala Avenue, Manila's Wall Street.

The demonstrators have called for the resignation of Mr Marcos, whose administration is accused of complicity with the August 21 assassination of the popular opposition leader, Benigno Aquino. Businessmen's rallies have caused tension among bankers and investors who have since then frozen the flow of new loans and investments in the Philippines.

The virtual halt in the flow of fresh foreign funds has triggered the current crisis, necessitating the moratorium on some foreign debts and the rescheduling of others. Many foreign banks have also stopped opening letters of credits for the Philippines, hitting foreign trade transactions, including the import of basic commodities such as oil.

Mr Marcos told the businessmen that many of those who join anti-government rallies are themselves deceitful, resorting to double book-keeping, transfer pricing, over-pricing, smuggling and dollar salting. He pointed specially at tax-evading firms that cost the Government at least pesos 5bn ($357m) a year. "I wonder how many of the businessmen who criticise the Government pay their taxes religiously," Mr Marcos said.

ADB approves India's application for credits

BY K. K. SHARMA IN NEW DELHI

THE ASIAN Development Bank's (ADB) agreement to provide credits for Indian development projects was conveyed yesterday by its president, Mr Masao Fujioka, to India's Finance Minister, Mr Pranab Mukherjee, when the two met for talks in New Delhi.

Although India's controversial application for a $2bn loan over five years has thus been approved in principle, Mr Fujioka made it clear that this amount was far too large for the regional financial institution to cope with and said that the beginnings would be "modest."

The application has been vigorously opposed by the U.S., the second largest contributor to the ADB, on the grounds that India's needs were too large and any loan from it would harm the interests of the institution's traditional borrowers, which are the smaller low capital countries such as Bangladesh.

U.S. objections have now been overcome and the ADB board had agreed that India is entitled to borrow from the ADB, which recently increased its ordinary capital resources by 105 per cent.

India has so far avoided borrowing from the ADB but made its first application last year on the ground that the international economic climate made its hard currency position difficult and that it had not given up its right to borrow from the ADB.

Pakistan loans agreed

BY MOHAMED AFTAB IN ISLAMABAD

PAKISTAN will receive $126m in project aid and commodity assistance, during the current financial year 1983-84 which ends June 30 next.

The amount includes $91m for a key thermal power station at Jamshoro and is meant to help to overcome the severe energy shortage in the growing industrial cities of the southern Sind province. The project loan is for 30 years, with a ten-year grace period, and carries a 3.25 per cent interest.

The commodity loan will be for $35m, and is repayable in 25 years, including a seven-year grace period. It also bears a 3.25 per cent interest. The loan will be used to import industrial raw materials and other essential commodities from OECD, and less developed countries. The notes providing for the two loans were exchanged here yesterday.

Caymans ask UK to help settle bank row

By Margaret Hughes in Georgetown, Cayman Islands

THE British Government has been asked to intervene in a dispute between its crown colony the Cayman Islands and the U.S. Administration.

The dispute centres on the Cayman Islands' banking secrecy laws under which it is an offence even to request information on bank accounts.

The U.S. has been putting pressure on the Cayman administration to disclose information of the bank accounts of individuals under investigation for criminal activities and in particular the alleged laundering of drug money through the Cayman Islands.

This pressure has been stepped up in the past few months following a major drug smuggling case, known here as the Latin Connection, involving the smuggling of cocaine from Colombia to the U.S. via the Caymans.

The U.S. has served notice on a number of banks based in the Caymans to provide information on their clients' accounts.

A number of bankers and lawyers based in the Caymans have been subpoenaed by U.S. authorities on arrival in Miami; including one Barclays Bank executive who was held in custody for several days.

Travellers to and from the Caymans, including Cabinet members, have been harassed by Customs officials at Miami Airport.

Representations have been made to the U.S. Administration by the British Government which has already taken issue over another instance of U.S. extra-territorial interference — unitary taxation.

However, the timing of the Cayman Islands' request comes Mrs Margaret Thatcher's ...... at an embarrassing time for Mrs Margaret Thatcher's Government given that it is itself preparing new legislation to curb tax evasion through such offshore financial centres at the Caymans.

The dispute came to e head a few weeks ago when the federal court in Florida found the Bank of Nova Scotia, one of the biggest in the Cayman Islands, guilty of contempt of court for refusing to disclose information on a particular client's eccount. It was fined $25,000 (£16,700) e day as e result.

The bank has appealed but if it fails to win the appeal the fine will be increased to $100,000 a da yif it continues to refuse to disclose the requested information.

The Cayman administration considers such action to be undermining its constitution. It is all the more annoyed because as part of its ettempts to improve its image it has been making determined efforts to co-operate with the U.S. authorities in fraud cases.

Unless the dispute is resolved it could have dire consequences for the Caymans' future as a tax haven.

Its 30-odd banks are the cornerstone of the islands' economy. They are the biggest employers and contribute some $45.7m to the economy.

The Governor of the Caymans, Mr Peter Lloyd, said. "We would like to reach some sort of understanding with the U.S. Government which does not undermine our existing agreement."

Stewart Fleming in Washington watches the budget deficit argument degenerate into music hall farce

$200bn deficit spectre paralyses U.S. policy makers

"We ARE running one great economic experiment after another in the United States" is how one Democrat on Capitol Hill put it. "First we tested monetarism, then it was supply side economics and now we are about to put to the test the question of whether giant budget deficits matter."

His statement assumes that in spite of all the rhetoric when it comes down to it neither Congress nor the President will be prepared to risk the sort of painful political decisions that are needed to transform the federal budget deficit. Many economists, including Mr Martin Felstein, chairman of the President's Council of Economic Advisers see $200bn deficits stretching indefinitely into the future if no action is taken.

Today, Congress is almost down to the bottom line. In theory it is due to go into recess on November 18, although in practice the date will probably slip back to early December. But the chances of major legislative initiatives designed to transform the budget picture have been taking a beating.

The House of Representatives has completed work on a face-saving $10bn package of spending cuts spread over three years. The figure underlines the political paralysis in Washington when it is contrasted with the $85bn of budegt savings which Congress set itself to achieve earlier this year.

In the Senate, an elaborate pas de peux between the chairman of the Senate Finance Committee, the powerful Mr Robert Dole, and the Reagan Administration has been threatening to degenerate into music hall farce. Two weeks ago Mr Dole launched the idea of a bold package of spending cuts and tax increases totalling $150bn over three years. He floated his trial balloon temptingly down Pennsylvania Avenue in the direction of the White House, and last Thursday, when it came into range, the President personally shot it down.

In remarks to a reunion of his 1980 election campaigns workers, Mr Reagan threatened to veto the Dole package because of the tax increases tied to it. The Adiminstration wants to see current spending cuts, not tax increases to solve the budge problems.

Its own deficit reduction strategy has envisaged a stand-by tax increase only if by 1985 the budget deficit has not shrunk to less than 2½ per cent of Gross National Product. The 1983 deficit was some 6 per cent of GNP. But there are early signs that the Administration may be thinking about more radical tax reforms in the event that Mr Reagan runs for President again and is re-elected.

Since the Democrats are not prepared to countenance further cuts in welfare programmes and the Administration is not prepared to accept tax increases before the election, the deadlock which has ruled on the budget for over a year is looking even more unbreakable.

Feeling has been running high on the deficit issue, underlined by symbolic protests in both houses. This week the House failed to pass a continuing resolution which would allow the Government to carry on paying its bills—the legislation is however expected to go through before government really does grind to e halt. Last week the Senote voted not to increase the Government's borrowing capacity, the deht limit. That vote has probably cost the Treasury several hundred million dollars in extra borrowing costs since it has forced up interest rates on Treasury issues.

Senator Howard Baker, Republican leader in the Senate, is quietly beavering away trying to round up a majority to pass a deht limit increase. But since the Treasuryp has adeqnate cash resources to see it through for a week or so immediete action is not on the horizon. On Wal Street it is suggested that the true deadline for the debt Bill could be the beginnig of December, when Senators (the House has already passed the legislation) will have to decide whether or not to take responsibility for the fact that the Treasury will not be able to send social security cheques to millions of voters.

The Federal debt, or at least the cost of servicing it, is one of the factors which is leading economists to predict that unless action is taken to cut the budget deficit, it will now reach the $200bn range in the foreseeahle future.

In Congressional testimony this week, Mr Marten Feldstein, chairman of the President's Council of Economic Advisers, reiterated his warnings that unless there is legislative action, the budget deficit is likely to remain around the $200bn level until 1988. He pointed out that one of the side effectsof this development would be to add $1,000 to the privately held national debt over the next five or six years, which would add $80bn of permanent debt service costs to the budget.

This additional debt service burden is one of the major reasons why, even assuming steady economic growth of 4 per cent in real terms over this period, and average Treasury bill interest rates of 6.1 per cent, the budget deficit becomes entirely a structural deficit which would not automatically be eliminated hy an economic upswing and the added tax revenues and lower social security payments which accompany it.

Change some of these (very favourable hy recent experience) economic assumptions, cut the growth forecast a bit or assume higher interest rates, and the hudget deficit gets worse, if there is no action in congress.

Conversely, Mr Donald Regan at the Treasury has been making it clear that he does not take snch a gloomy view. He argues that the deficit could shrink dramatically to around $125bn in 1986 on favourahle economic assumptions plus the spending cuts the Administration wants.

Much of the debate hinges on timing. As the conviction has gathered that there will be no hudget action until after next year's election, economists have heen asking what this might imply.

Mr Feldstein, in spite of a clear conflict with the Treasury, has been persistently arguing that the hudget deficit has heen an important factor driving up real interest rates and thus the value of the dollar on the foreign exchanges. The strength of the dollar, he says, is making U.S. exports less competitive and therefore adversely affecting export industries and their workers. Housing construction he says would be more buoyant if real interest rates were lower. He suggests that this "crowding out" caused hy the deficit will spread to other sectors of the economy, inclnding capital investment, producing an increasingly "lopsided" economic recovery.

"It is clearly wrong," he says, "to suggest that next year's deficit wil labort the recovery in 1984."

There are influential U.S. economists who question this gloomy prognosis, suggesting for examplethat the U.S. may experience a burst of growth in the next few years similar to the early 1960s, and that the deficit is not the threat it appears. On the basis of recent historical experience that is a long sot. The risk of basing policy on such assumptions is that if they are wrong, today's budget problems could pale into insignificance in comparison with the challenges fiscal policy will present in two to three years time.

COMPONENTS OF EXPECTED BUDGET DEFICITS

Financial year	Cyclical dficit $	Structural deficit $	Total deficit $
1983	95bn	100bn	195bn
1984	78bn	122bn	200bn
1985	57bn	149bn	206bn
1986	41bn	178bn	219bn
1987	22bn	206bn	228bn
1988	− 4bn	214bn	210bn

Source: Midsession budget review testimony

U.S. group defrauded Canada of C$28m

By Nicholas Hirst in Toronto

AMWAY CANADA, and its parent company Amway Corporation, the second largest distributor of household products in the U.S., yesterday pleaded guilty to defrauding the Canadian Federal Government of C$28m (£15.3m).

The indictment charged the company with avoiding customs dnties during 1965 and 1980 by undervaluing shipments.

Company officials have also been charged with the offences but bave refused to appear before Canadian courts, claiming that Press coverage of the charges had made a fair trial impossible. In past statements the officials have always protested their innocence.

The guilty plea on behalf of Amway Canada and its parent was entered in the Supreme Court of Ontario by Mr David Humphrey, a Toronto lawyer acting for the companies. It is expected the court will defer sentencing.

Amway, short for "the American Way," based in Grand Rapids, Michigan, is second only to Avon in the U.S. in sales of household products. It has operations in 25 countries and in the 12 months to September 30 had revenues of $1.2bn (£800m).

Wholesale prices rise 0.3% in U.S.

U.S. wholesale prices rose a seasonally adjusted 0.3 per cent in October, the U.S. Labour Department said yesterday, Reuter reports from Washington.

Last month's increase was slightly greater than in September when prices rose 0.2 per cent. Wholesale prices last month were 1.3 per cent higher than they were in October, 1982, the department edded.

If October's rate of gain continued for 12 months, U.S. wholesale prices would be 3.8 per cent higher in October of next year, a department analyst said.

Uruguay clashes

One person was killed, at least 60 were injured and 500 were arrested when police broke up a banned anti-government march, union and political officials said yesterday, Reuter reports from Montevideo.

Some 20,000 joined the march which had been called by unions at the end of Wednesday's day of protest against Uruguay's 10-year-old military government. The protest was called to press for higher wages and a quick return to democracy.

Plea for small states

Mr Shridath Ramphal, Commonwealth Secretary General, said yesetrday the Commonwealth should adopt a new role in "helping to make the world safe for small states" in the light of the recent crises in Grenada and the Falklands, writes Anthony Robinson.

UN postpones vote on Falklands motion

BY JIMMY BURNS IN BUENOS AIRES

THE United Nations General Assembly vote on e motion calling on Britain and Argentina to resume negotiations on the future of the Falkland Islands — originally scheduled for Wednesday — was postponed again yesterday because of a long discussion on Central America.

Nevertheless, both Britain and Argentina have virtually accepted that by next Tuesday at the latest the assembly will have endorsed the motion.

The result of the vote — although unlikely to be substantially different to last year's when the assembly voted 90-12 in Argentina's favour — will be fully exploited by the incoming Radical Party Government of Sr Raul Alfonsin.

The Radicals have made the Falklands a priority of their foreign policy and are pressing for an early negotiated settlement of Argentina's dispute with Britain. They are hoping that growing international support along with British domestic reaction may eventually force Mrs Margaret Thetcher to the negotiating table.

Western diplomats said yesterday they believed e better climate for a reconciliation between the two sides had been created following Sr Alfonsin's electoral victory.

On the eve of the UN debate, the President-elect issued the most unequivocal statement of non-belligerence made by senior Argentine officials since the end of the Falklands war.

However, diplomatic officials say both sides still appear to be some distance apart. This will probably take several months to even begin to bridge.

The incoming Argentine authorities have publicly stated that they would only consider declaring a *de jure* cessation of hostilities once Britain abides by the UN resolntion. They will also insist on making sovereignty part of any future talks.

Britain has insisted that such a declaration is a fundamental condition for any change in its relations with Argentina, and has said that sovereignty is non-negotiable.

British officials have hinted privately, however, that their current diplomatic intransigence may be eased if the Radicals keep to their pledge and reach an early settlement with Chile on the Beagle Channel dispute.

Likewise the extent to which the incoming administration controls the armed forces and reduces defence expenditure could also have a bearing on attitudes in London.

Diplomatic officials said Britain had not ruled out sending a message of congratulation on the advent of democracy in Argentina on December 10 when Sr Alfonsin's government is sworn in.

Late yesterday, Argentine and British officials were engaged in intense behind-the-UN-scenes lobbying of the U.S. and EEC member countries.

The U.S. last year voted in favour of renewed negotiations while the EEC, excluding Britain, abstained.

According to diplomatic sources in New York, the U.S. will almost certainly maintain its position although Argentina has apparently failed in its attempt to have Greece, Italy and France change their vote.

WORLD TRADE NEWS

A mission is coming to teach businessmen about selling to Japan

Tokyo aims to 'educate' Europe

BY JUREK MARTIN IN TOKYO

A DELEGATION of Japanese officials, led by Mr Yobei Mimura, president of Mitsubishi, the giant trading company, will land in London on Monday on the first leg of e 19-day, five-country trip desiged, according to Mr Mimura, to teach European businessmen some "tricks of the trade" about selling to Japan.

It sometimes seems that bardly a day passes without some Japanese manifestation of the Government's new-found import consciousness.

For example, the European Community ambassadors in Tokyo this week trooped into the office of Mr Sosuke Uno, the Minister for International Trade and Industry (Miti) for a beart-to-heart about the Japanese domestic market.

Unlike the last such session in October, the initiative for the meeting was Mr Uno's. It is Miti, in fact, which has organised the European trip.

Most of the three packages and innumerable separate initiatives io the year that Mr Yasuhiro Nakasone has been Prime Minister have been tailored to assuage the U.S., wbose President, Mr Ronald Reagan, is in Tokyo this week and whose Congress has recated strongly to the $20bn-plus bilateral Japanese surplus.

But Europe, bruised though it may have been by Japan Airline's preference for Boeing over the Airbus and by the omission from last month's package of any reduction in the duty on wine, not to mention chocolate biscuits, is not being entirely neglected, as recent exchanges bave shown.

Japan sold $13.6bn worth of goods to Europe in the first nine months of this year, 3.7 per cent up on the same period of 1982, imported only $5.9bn, a meagre 0.4 per cent advance, and and enjoyed a surplus of $7.6bn, 6.4 per cent wider than the previous year.

The principal reasons for the burgeoning overall Japanese surplus, likely to exceed $30bn this year, are well known — a $6.5bn lower oil import bill and the loss of imports, all but 2-3 per cent of which are priced in dollars, because of the high value of the U.S. currency against the yen.

But what is less clear is the extent to which the underlying imbalances in trade reflect structural deficiencies in the interal Japanese market.

The litany of foreign complaints is long — the distribution system, an obfuscatory bureaucracy, rigid application of Japanese standards and testing, agricultural and other protection, Japanese consumer preferences, limited availability of yen finance and so on.

Mr Yasuhiro Nakasone
Innumerable initiatives

It is to try to answer them that the Government has decided to co-opt its national business community to try to educate its international counterparts in the real nature of the Japanese market.

Whila few interested foreigners in Tokyo dispute that Japan is trying hard to improve the "climate" of trade relations, there is scepticism over wbether big show-piece missions, like that beaded by Mr Mimura, are the right way to go about it.

Because it is high powered, observers note, the misssion could end up confining itself to formal receptions, in the Japanese manner, at which little real advice can be dispensed, or practical business conducted.

A second danger is that the *members of the mission are* themselves so senior that they will not have the details of the "nitty-gritty" of purchasing and investment which potentially interested foreign businessmen will want to know about.

It is also thought possible that the mission's efforts may lead to confusion as much as enlightenment. Individual mission members from, say, competing elements in the Japanese retail trade, may have different views on the best way to sell in Japan.

Perhaps the final danger is that the despatcb of such delegations is the extent to which it raises expectations, both among the Japanese and foreigners alike. If its purpose can be seen for what it really is—public relations—then its impact will probably be neutral, but if either side holds out higher bopes, then disappointment may accrue.

Italy to press Algeria on contracts

By James Buxton in Rome

ALGERIA'S slowness in awarding contracts to Italian companies following last year's agreement between the two countries on gas supplies ia expected to be a major issue during the stata visit to Rome by Benjedid Chadli, the Algerian President, which began yesterday.

Italy is dismayed that so far none of the L1,500bn (£627m) which Algeria had indicated would go to Italian companies has yet been finalised.

In September last year, Italy agreed to pay well over the market price for gas supplies via the trans-Mediterranean pipeline, through which the first gas started to flow during the summer.

The signing of trade and construction contracts was not formally linked to the gas agreement, but was part of the overall understanding.

Companies of the ENI group, the state energy concern, whose gas subsidiary SNAM is buying the Algerian gas, expect to finalise two contracts in the near future.

These are a $500m contract for a gas collection plant at Rourdenousse, which should go on to Snamprogretti, and a pipeline-laying contract for Saipem worth about $100m.

China will need to offer nuclear power station debt guarantee

BY ROBERT COTTRELL IN HONG KONG

CHINA will be expected to extend a sovereignty guarantee covering debts associated with the HK$36bn (£3.1bn) nuclear power station to be built in Guandong Province, Hong Kong analysts believe.

The station will be owned and operated by a joint venture between Hong Kong and Chinese investors, with a financing structure of 10 per cent equity and 90 per cent debt.

China will hold 75 per cent of the equity, and tha Hong Kong consortium — led by the local utility, China Light and Power—25 per cent.

Tha last major preparatory step towards building the station was taken on Wednesday when the Hong Kong Government said it would allow local power companies to maka a longterm commitment to buy some 70 per cent of tha 1,800 MW station's electricity.

Those purchases will provide the hard currency to repay the more than US$4bn in project debt.

The station's two major contracts are likely to go to British and French concerns, with General Electric Company supplying turbines and generators, while France's Framatome supplies two 900 Mw pressurised water reactors.

Analysts expect the contracts to attract governmental export credit guarantees, backed by a sovereign cross-guarantee from China. They say the project debt is likely to carry an interest rate of 10-10½ per cent.

If remaining detailed negotiations go smoothly, major contracts might be let around the middle of next year. China wants the station to be operating by the ned of 1991.

A Chinese sovereign guarantee would obviate banks' worries about wbether Hong Kong will continue to function as a long-term supplier of hard currency.

Britain's lease over most of the territory expires in 1997, and China says it wants to regain control of Hong Kong in that year. A financing package for the station would be likely to stretch beyond 1997.

While China is committed to putting up some $345m in equity for the project, it seems likely that it may pay for its stake by providing infrastructural and construction labour and materials, and not in cash.

The Hong Kong partners will provide soma $115m in cash, some of which may come from a Hong Kong Government loan.

The main organisational matter now outstanding relating to the power station is the formation of the Hong Kong consortium, which is to be called the Hong Kong Nuclear Investment Company (HKNIC).

While China Light and Power says it is ready to move on the project without delay, it is not yet known who its local partners will be.

Tha Hong Kong Government has indicated that it would welcome the participation of the colony's smaller power utility, Hong Kong Electric Holdings. But Hong Kong Electric says it has not yet been given sufficient information about the project to make a decision.

Soma analysts believe that participation may be offered to local companies outside the utility sector, through equity or bond offerings in HKNIC.

Bankers believe that, with guarantees in place, finding loans to finance the power station should not be too difficult. Some believe that the state-owned bank of China would like a prominent role in bringing together the lending syndicate.

U.S. set to propose freer trade in services to Gatt

BY NANCY DUNNE IN WASHINGTON

THE REAGAN Administration is preparing to deliver its proposal for liberalising trade in services to the General Agreement on Tariffs and Trade (Gatt) within the next two weeks, according to Mr Richard Self, Deputy Assistant U.S. Trade Representative.

The report, now undergoing inter-agency review, will be the first submission by a Gatt member-nation under an agreement reached last year at the Gatt ministerial meeting.

Since that time, U.S. officials have been meeting other Gatt members, mostly from the countries belonging to the Organisation for Economic Co-operation and Development, in an attempt to build support for rules unique to service industry but applied under the umbrella of generally accepted trade practices.

With the U.S. taking the lead, about 10 other industrialised nations are now preparing their own reports for filing next year.

Although the EEC will produce a study, the UK and Germany are expected to file separate reports. Japan announced last week the creation of a private sector commission to work out a consensus submission.

The U.S. will, it is believed, suggest a contractual document providing for uniform national treatment and non-discrimination for all signatory countries.

It is said to provide avenues of relief, a basis for retaliation, and proposals for dealing with the various levels of regulation in participating nations.

An appendix to the report lists over 900 restrictions in 102 countries covering 16 service sectors including: Accounting, advertising, auto and truck rental and leasing, banking, building, contracting and engineering, franchising, insurance, legal services, motion pictures, telecommunications, tourism and transportation.

An agreement for trade in services under Gatt has met strong resistance from the developing countries which complain that without protectionist barriers, they will never develop their own service sectors.

To secure the co-operation of the developing countries the U.S. may offer further reductions in industrial trade barriers at a new North-South round of negotiations to run parallel with talks establishing a code for trade in services after 1984, Mr Self said.

"In our view, it will be impossible for any of the developing countries to obtain any further inroads in our country, beyond what restrictions exist now, unless they're willing to provide certain commitments in the area of services," Mr Self said.

The next step in the process of expanding Gatt to include services will be taken at the 1984 contracting parties meeting in November, when members must decide whether or not to continue to pursue an agreement.

Saab-Fairchild wins U.S. order for eight airliners

BY DAVID BROWN IN STOCKHOLM

SAAB-FAIRCHILD has won an order to deliver eight SF-340 regional airliners to the Cincinnati-based carrier Comair for more than $40m (£26.6m).

Comair has now ordered 12 of the twin-turbo prop 34-seaters to supplement its existing fleet of 20.

Comair carried 234,000 passengers in its last fiscal year ending March 1983, up 69 per cent from the previous year. Deliveries are to begin next April, and will run through 1987.

The SF-340 is a joint venture between Saab-Scania of Sweden and Fairchild Industries of the U.S. The group says it now has somewhere between 90 and 100 firm orders.

● Shorts, the Belfast-based aerospace manufacturer, announced that Sunbelt Airlines, based in Camden, Arkansas, has ordered two Shorts 360 wide-bodied regional airliners and taken options on two more.

Delivery will be in 1983 and 1984. The value of the order including spares, is over $17m. This order raises total orders and options for the airliner to 67.

Renault leads Europe's major car producers

BY KENNETH GOODING, MOTOR INDUSTRY CORRESPONDENT

RENAULT'S SUCCESSFUL export drive into North America has boosted the company to a clear lead as Europe's major car producer.

Renault's dominance among the European producers has been achieved with a relatively small model range to give it extremely competitive unit costs.

"In point of fact, Renault has the potential to achieve economies of scale with the combined output of the R9/R11 that will better even the Japanese," the Automotive Industry Data newsletter says, in an analysis of European production trends.

Car output in Europe in the first eight months of this year totalled 6.8m (excluding statistics from Volvo, Saab and part of the Spanish industry which are not yet available). This compared with 4.9m for North America and 4.7m for Japan.

The "big six" producers accounted for 82.6 per cent of total European car output with Renault at the top with 18.2 per cent even though it has lost European sales leadership to Ford.

Renault's lead springs from its export business. In the first eight months of this year, the French group exported 606,336 cars, excluding car kits, to give its output an export content of 48.6 per cent. Kit exports in the period were 95,994, all of which were counted in Renault's production in Spain.

The state-owned French group's push into North America has been through the dealer network of American Motors, the fourth-largest U.S. producer, in which Renault has a 46 per cent shareholding and management control.

The newsletter points out that although the Peugeot group is second in the European production league with a 14.9 per cent share against Renault's 18.2 per cent, it does not have a model in the list of "top-10" best-selling cars.

According to the newsletter, the European top cars in terms of production in the first eight months were: 1 Renault R9/R11 (556,256); 2 Volkswagen Golf/Jetta (405,555); 3 Ford Escort/Orion (394,505); 4 Renault R5 (302,726); 5 Opel Kadett (302,665); 6 Ford Sierra (285,925); 7 Opel Ascona (262,352); 8 Fiat Uno (225,790); 9 Ford Fiesta (223,604); 10 Fiat Ritmo/Regata (208,261).

SHARE OF W. EUROPEAN CAR PRODUCTION (8 months)

Total output	6.8m
Renault	18.2%
Peugeot-Citroen-Talbot	14.9%
Volkswagen/Audi	13.2%
Ford	12.6%
General Motors (Opel)	12.3%
Fiat/Lancia	11.4%

Source: National assns. and AID

BUSINESS LAW

European court lays down rules in anti-dumping game

A.H. Hermann, Legal Correspondent, reports on a European Court judgment which will reassure companies threatened by imports of subsidised products.

WHAT can companies threatened by imports of subsidised products do – only complain? Or can they take the EEC Commission to court if it fails to take anti-dumping measures? In a surprisingly reassuring judgment* the European Court has now held that the companies have a right to expect protection, and can ask for a judicial review of the Commission's acts or inaction.

Ever since the Community took over from member-states the responsibility for anti-dumping measures in 1979, industry has been somewhat nervous fearing that Brussels might take into account many other considerations in addition to the harm caused by imports of subsidised products.

In fact, the Commission has proved too hasty in some instances, as for example, in the Soviet nickel case. There it imposed an anti-dumping duty, only to retreat completely when Raznoimport, the Soviet state export organisation, took it to the European Court and presented evidence that it was itself undercut by other cheap exporters to the Community.

Between 1980 and 1982, the number of investigations initiated by the Commission each year rose from 25 to 58. However, less than a fifth of investigations lead to imposition of countervailing duties. Some investigations are stopped even before they reach the formal stage, and this was the fate of a complaint made by Fediol, the Federation of the EEC Vegetable Oil Industry.

Fediol complained to the Commission in the spring of 1980 that subsidies granted in Brazil for soyabean oilcakes exported to the Community caused harm to the EEC industry. It asked for the opening of anti-dumping proceedings under Regulation 3017/79, and for a provisional countervailing duty.

The Commission started informal investigations and obtained some coocessions from the Brazilian Government, but not enough to satisfy Fediol, which approached the Commission again in September 1981 urging an immediate opening of formal anti-dumping proceedings. Fediol warned the Commission that it might claim damages for the Community's failure to impose a countervailing duty.

About two months' later the Commission telexed that it did not intend, for the time being, to open anti-dumping proceedings, and explained later in a memorandum that Brazil had withdrawn most of the subsidies. Consequently, it did not appear "opportune" to the Commission to open anti-dumping proceedings.

As the Commission said, it had to bear in mind not only the interests of the European industry but equally those of consumers. These informal communications were concluded by a letter to Fediol stating that the Commission would not open the requested anti-dumping proceedings, although it was not happy about the advantage received by Brazilian exporters in the form of credits. Against this decision, Fediol appealed to the European Court asking for its annulment.

The Commission asked the court to reject the appeal as inadmissible. Its letter was only "information" and not a "decision" against which there would be an appeal. The anti-dumping Regulation 3017/79 authorised enterprises and associations to complain, but did not give them a right to the opening of anti-dumping proceedings. The Commission claimed that it had a wide discretion in these matters, and had to exercise it in the economic and political interests of the Community and of third countries and not only for the protection of a particular industry.

Fediol argued that European producers had the right to demand appropriate protection from European institutions, and that once the existence of subsidies and of prejudice to European industries was established, the Commission had no further discretion and had to adopt protective measures.

The court, which in most cases follows the Commission's legal opinion, has this time decided in favour of Fediol. It also used the opportunity to lay down rules to be followed by all participants in the Community anti-dumping game.

Enterprises or trade associations, said the court, may complain of dumping either to the Commission or to a member state which would then be obliged to transmit the complaint to Brussels. The Commission should consult with member governments in order to establish whether the exports are subsidised and cause real prejudice to a Community industry and, if so, what measures should be taken.

If the Commissioo concludes that there is not sufficient evidence to open proceedings it must inform the plaintiffs. If, however, it is of the view that such evidence exists, it is obliged to announce the opening of proceedings in the Official Journal and continue investigations, either directly or in co-operation with member states.

The plaintiff should be kept informed, and given an opportunity of meeting other parties to the investigation. At this stage, the Community institutions can take preliminary decisions or promptly apply provisional measures.

These measures include obtaining assurances from the exporting country, or the imposition of a provisional countervailing duty. The definitive countervailing duty should be imposed by the Council when proposed by the Commission.

The court concluded that Community producers not only have a legitimate interest in the institution of anti-dumping measures, but that Regulation 3017/79 also gives them a right to be informed by the Commission if it decides not to take anti-dumping measures. If such a decision is adopted in the preliminary stage of the investigation, the information given to the plaintiff should contain at least an outline of the conclusions and of the grounds on which these were reached by the Commission. The Commission has a similar obligation under Article 9 of the Regulation when closing formal proceedings.

The court said the Commission was obliged to make factual findings about subsidies and the harm they caused, but it had a wide discretion when it came to deciding about protective measures. It followed that in addition to appealing against infringements of the rules, Fediol could also ask for a judicial review of the use made by the Commission of its discretionary powers.

It could appeal to the court not only on the grounds that the Commission did not observe the procedure prescribed by Regulation 3017/79, but also on the grounds that it clearly misjudged the facts, ignored signs pointing to the existence of an export subsidy, or abused its power by reaching its conclusions on improper grounds.

In other words, the court has reached maturity as a tribunal for administrative appeals. It would be most reassuring if it made a habit of keeping the Commission on its toes.

** Case 191/82, judgment October 4 1983, unreported.*

UK NEWS

Cabinet holds spending plans to target level

BY PETER RIDDELL, POLITICAL EDITOR

AN OPTIMISTIC assessment of the outlook for output and inflation next year will be made on Thursday by Mr Nigel Lawson, the Chancellor of the Exchequer. He will be announcing the public expenditure plans for 1984-85.

The Cabinet yesterday agreed, as expected, to hold expenditure next year to the existing planned total of £126.4bn.

This follows the elimination in the past two months of departmental bids for spending of more than £2.5bn above that figure.

In the past fortnight there has been agreement in the Cabinet on compromises over contentious items of defence spending and the financial targets for the energy industries.

One result is likely to be small increases in the prices of gas and electricity in 1984-85 after the recent freeze on these charges.

The outcome was being presented at Westminster last night as something for everyone. The Treasury was claiming that the Government was being seen to stick to its medium-term financial strategy. The obvious hope is that this might allow room for a small cut in direct taxation – via a rise in income tax thresholds – in the spring budget.

A similarly complicated compromise appears to have been agreed in the energy sector. Mr Peter Walker, the Energy Secretary, and the chairmen of the gas and electricity industries, have been opposed to the Treasury's proposals for tight financial targets which would require larger price increases than they believe are commercially justified.

The committee of senior ministers under Lord Whitelaw which examined spending plans is believed to have recommended increases in low single figures for next year. This was accepted by the Cabinet. Mr Walker disliked this recommendation. He is expected to discuss the detailed implications with Mr Lawson, with whom he has strained relations, on his return to London today from a visit to China.

Spending ministers were also generally claiming that they had safeguarded their programmes. There has been a complicated compromise arrangement on defence and both the Treasury and the Ministry of Defence were last night claiming to have secured concessions.

This basis of the deal is that for 1984-85 the starting point has been lowered since some of the cut in this year's defence spending, announced in July, has been carried forward. This should still permit a 3 per cent rise in real terms in line with Britain's commitment to Nato.

The key period is 1985-86 where the Ministry of Defence has apparently secured a guarantee of inflation proofing and growth of more than 3 per cent in volume terms. This year is the end of the formal Nato commitment and is the base for later decisions.

State drug bill to be cut by £50m

BY GARETH GRIFFITHS

THE GOVERNMENT intends to reduce the drug costs for the National Health Service (NHS) by at least £50m a year. The move is likely to prompt strong protest from drug manufacturers and wholesalers.

The Department of Health and Social Security (DHSS) is soon to conclude talks with the Association of the British Pharmaceutical Industry (ABPI) over a revised pharmaceutical price regulation scheme. This regulates the prices for drugs sold to the NHS by monitoring the profits which companies make from these sales.

The Government is expected to announce later this month that it will reduce the NHS drug bill by just over 3 per cent, or about £50m a year, with the maximum cut being considered at about $100m a year. In 1982-83 the NHS paid about £1.5bn for its drugs.

The Government is also expected to announce stricter controls on promotional spending by pharmaceutical companies.

In August the Government cut £25m off the current year's NHS drug budget by reducing prices by 2.5 per cent and ruling out any increases until April 1984.

The harsher cuts planned for next year appear to stem from increasing concern on the part of many Members of Parliament about "excessive" profits made by leading drug companies from their NHS business. There has also been criticism of an "over-cosy" relationship between the industry and the DHSS.

Last year drug companies earned £250m in pre-tax profits from their NHS sales, according to the DHSS. The ABPI says the figure, which includes returns from 65 drug manufacturers, is closer to £200m.

At the time of the £25m cut announced in August, the ABPI warned that the extension of such "repressive" measures beyond April of next year would damage investment confidence, lead to a reduction of research activity in the UK and erode the industry's export surplus. Last year the industry's exports totalled £1bn, with a trade surplus of £600m.

Government wins first test of labour legislation

How union came to terms with Mercury court ruling

BY PHILIP BASSETT, LABOUR CORRESPONDENT

FOR THE first time since the Government embarked upon its programme of labour legislation, a trade union yesterday considered carefully the practical effects of defying the law. The Post Office Engineering Union (POEU) looked into the abyss of refusing to obey a court order – and pulled back.

In a closed, private session at the union's recalled annual conference at Blackpool POEU delegates held a 90-minute debate about whether to comply with Wednesday's Court of Appeal judgement under the 1982 Employment Act, ordering the union to lift its blacking of Mercury, the private telecommunications company.

Realistically, the result was a foregone conclusion, after the decision reached yesterday morning by the union's 23-man executive committee to recommend compliance.

Five left-wing executive members switched their votes to give a 14–9 majority in favour. At the conference, delegates voted overwhelmingly in favour of the executives recommendation by a show of hands and then re-inforced it in a card vote. This showed 93,655 (70.3 per cent of those voting) in favour, 38,596 (29 per cent) against, with 958 (0.7 per cent) abstaining.

Delegates had before them a confidential report on the case from the executive, which laid out in stark terms the six points of the leadership's conclusions on the judgement:

- To refuse to comply would be unlawful.
- Disobeying would mean severe financial penalties. These would be an immediate fine, which, the conference was told, could be between £50,000 and £100,000 followed by repeated daily fines of thousands of pounds. Delegates were also told that the court could seize the union's funds and that the assets of individual executive members were also at risk.
- To pay such fines would render the union ineffective, and would halt its campaign against Mercury and the privatisation of British Telecom.
- To refuse the injunction would end any hopes of appealing against the judgment to the House of Lords, and would severely prejudice the union's position when the full trial of Mercury's claim for damages comes to court, early in the new year.
- The POEU's rules require the union's officers, staff, and members to act lawfully.
- Trades Union Congress policy was that unions should not break the law by defying an injunction.

Mr Bryan Stanley, POEU general secretary, appeared to seal the decision in an emotional speech. He pleaded with delegates not to vote on political or factional grounds. The only issue at stake was the union's future. To vote against the executive's recommendation was to destroy the union.

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Airports authority profits up by 23%

BY RAY MAUGHAN

BRITISH AIRPORTS Authority (BAA) is ahead of its internal profit projections so far this year with a 23 per cent rise in six months trading profits to £63.8m.

The seven airports run by the BAA always lose money in the two winter quarters, but the benefits of a 7 per cent rise in productivity, a 4.7 per cent increase in traffic and a small tariff rise last April, mean that profits so far are beating the earlier forecast of a £37.1m surplus before interest and tax.

BAA is one of the candidates for privatisation during the life of this Parliament, but Mr Norman Payne chairman, said yesterday that the earliest date required legislation could be introduced would be autumn next year. This would allow de-nationalisation in 1985.

Consultations with Mr Nicholas Ridley the Minister of Transport, have not yet started and no timetable for privatisation has, therefore, been agreed.

Mr Payne said BAA's traffic-related income rose by 21 per cent in the six months to September, while commercial income from duty free shops, the new chain of Skyshops and concessions improved by 25 per cent. Commercial income now accounts for 48 per cent of the total, and the chairman claimed: "We are now making more profits from retailing than Tesco," the UK grocery retailing chain.

BAA is building a fifth terminal at Heathrow Airport (London) and a second terminal at Gatwick near London, to meet increased demand projected for the rest of the decade. Its targeted capital spending will rise from £98.3m to some £125m, although trading conditions in the winter months will decide the extent to which BAA will fund this expenditure from its own resources.

Expansion of Heathrow beyond four terminals would not be completed in time to meet the rise in demand in the next decade, and the BAA warns that continental airports which are already campaigning hard for additional traffic – notably Amsterdam, Zurich and Paris – would eventually take the additional volume.

Lloyd's names broker as new chairman

By John Moore, City Correspondent

LLOYD'S, the London insurance market, yesterday named a new chairman to succeed Sir Peter Green, who steps down at the end of the year. He is Mr Peter Miller, aged 53, senior partner of insurance brokers Thomas R. Miller and Son.

Mr Miller emerged as something of a compromise choice by the Lloyd's ruling council. An early favourite for the post was Mr Murray Lawrence, head of underwriting at the Bowring Group who was yesterday named as a deputy chairman.

Mr Lawrence had been a deputy chairman of the market, but had to retire last year after serving the required four-year term.

There are two departures from tradition in Mr Miller's appointment. He has not served a period as deputy chairman and he is head of an insurance broking group.

Brokers are felt by the underwriting community not to be suitable as chairmen, although Sir Peter Green's predecessor, Mr Ian Findlay, who was chairman between 1978 and 1980, was a broker.

Claim against bank dismissed

BY RAYMOND HUGHES, LAW COURTS CORRESPONDENT

THE PAPERS in a $5m damages claim brought by a British company against the Central Bank of Nigeria are to be sent by a UK High Court judge to the Director of Public Prosecutions.

Mr Justice Parker, who dismissed the claim with costs was told by counsel for the bank that the claim by Reprobond, builders' merchants, was "a scandalous abuse of the process of the court" in which false allegations of misconduct were made against the Central Bank and Midland Bank.

Mr David Kemp, QC, also alleged that Reprobond had obtained a court order freezing the Central Bank's London funds for five days on the basis of perjured and forged evidence.

Reprobond asked the judge to dismiss its action with costs because it had not the money to proceed and because its chief witness, Mr A.B. Khan, its managing director, was not in a position to give evidence.

Mr Kemp protested that it would not be right, or in the public interest, that Reprobond should be allowed to "slide out" of the case – which had already been referred to the Fraud Squad – in that way.

Extremely serious allegations had been made against the banks, Mr Kemp said. He asked the judge to hear some of the bank's evidence and make findings that the allegations were false.

Mr James Goodie, for Reprobond, said it did not accept that its documents had been forgeries. He said he had no express instructions to withdraw the allegations against the banks, – "but I am certainly not seeking to pursue such allegations."

The judge said that, although he had the greatest sympathy with the banks, the course Mr Kemp suggested would not be a proper one for the court to adopt. He did, however, think it would be right to refer the papers to the Director of Public Prosecutions.

Reprobond had alleged in the action that the Central Bank provided it with a $13m letter of credit in connection with the shipment of cement to Nigeria.

Consortium will make pipeline bid

BY RICHARD JOHNS

FOUR British companies – Williams Press, Taylor Woodrow, Humphreys and Glasgow, and John Laing – hope to obtain a quarter share in the construction of an oil pipeline from Iraq to the Red Sea across Saudi Arabian territory. The pipeline will cost an estimated $2bn to $3bn.

The four companies joined forces earlier this year, forming British Pipeline Engineering and Contracting Company, largely to bid for the project. It has yet to go to any formal tender, however, and Saudi-Iraqi agreement will be needed on transit rights.

The prospects for implementation, however, are sufficiently good for the UK group to have formed a wider consortium which includes Entrepos of France, Nacap of the Netherlands and Brown and Root of the U.S.

British Petroleum is acting as oil consultants on behalf of the consortium and Morgan Grenfell is giving financial advice. Mannesmann and Sumitomo have been co-opted as prospective suppliers of pipe.

Saudi Arabia and Iraq have recently started detailed discussions on the construction of the pipeline, which would have a capacity of 1.5m barrels a day. It would give Iraq an alternative for its oil exports to the pipeline through the Gulf and the Straits of Hormuz. Iraq has been unable to use this for over three years because of the conflict with Iran.

Iraq first approached Saudi Arabia in the summer of 1981. Although the kingdom agreed in principle to an Iraqi-owned pipeline crossing its territory, in practice it has been reluctant until recently to contemplate its construction.

It would take two to three years to complete the pipeline and therefore the project ranks only a medium-term prospect of easing Iraq's financial problems. For this reason, Iraq and Saudi Arabia are also examining an interim measure – a shorter pipeline linking Iraq's southern fields to the existing trans-Arabian pipeline from the kingdom's oil fields in the eastern province. Less than a third of its 1.85m barrels a day capacity is at present being used.

Yesterday, Mr Paul Channon, UK Minister of Trade, was reported as saying in Baghdad that he expected British companies to obtain a 25 per cent stake in a consortium to build the pipeline. He said the project would be financed through commercial credits.

In London, Mr Bob Nelson, chief executive of BPEC, confirmed that the group had been holding talks with the Iraqi Government. He stressed that it was premature to talk of the consortium winning the contract.

هكذا من الأصل

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That it says as much about you as the house you live in.

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TECHNOLOGY

EDITED BY ALAN CANE

CITIBANK FIRST TO OFFER IBM PERSONAL COMPUTER TO CORPORATE CUSTOMERS

Blue tinged view of world-wide funds

BY ALAN CANE

THE CITI of Tomorrow, to paraphrase Citibank's advertising slogan, is here in Europe today, and its skyline is dominated by the IBM Personal Computer.

America's second largest bank is taking the lead in a marketing drive designed to place an IBM PC on the desk of the corporate treasurer in every company bai ; ing with Citi.

It is offering, from today, an electronic banking package which uses the IBM PC as the intelligent screen and keyboard in the executive's office.

It is its latest move to persuade its customers of the benefits of electronic corporate cash management, a service which Citi describes as o way "of making it easier for our customers to do business with us" ond which others might describe as self-service banking at the corporate level.

It meons simply an electronic link between the bank's computers in all its branches worldwide, and the treasurer's office. All the major U.S. banks offer electronic corporate cash management . . . last week, Lloyds was the last of the UK big four clearers to announce its version based on a service provided by tha U.S. computer bureau ADP.

Banks, in foct, bave the option to use o proprietary network for their cash manogement service—Geisco's massive Mark III network is the most popular today—or to develop their own.

Citibank, with a long history of going its own way in electronic technology, took the latter route. Its intelligent, world-wide network is the basis of oll its sophisticated casb manogement products including City Cash Manager for dollar accounts, Citibanking its top-of-the-line multi-currency system and Citi Integrator ovailoble only in the U.S. and designed specifically for American treasurers.

At present, customers gain occess to the network using any suitable terminal of their choice—C. T. Bowring, for example, featured opposite, uses a leased Digital Equipment terminal.

Now Citibank is offering the IBM PC as its office unit of choice, so matching the intelligence in the network with intelligence in the terminal.

Mr Matthew Devlin, vice-president at Citibank London with special responsibility for electronic banking, said this week: "This is the first in a series of packages using the IBM personal computers."

"We knew from our customers that they wanted an approach that embraced electronic banking from more than one bank, an individual treasurer's personol computing requirements and his company's own data-processing system."

So the IBM PC becomes, for Citibank and its customers, at any rate, the treasurer's multi-function work slation.

The network itself, however, was critical to the efficient performance of Citibanking and Citi Cash Manager. Citibanks data processing depends on IBM mainframes in New York and Lewisham in London and a series of clusters of minicomputers in regional offices around the world.

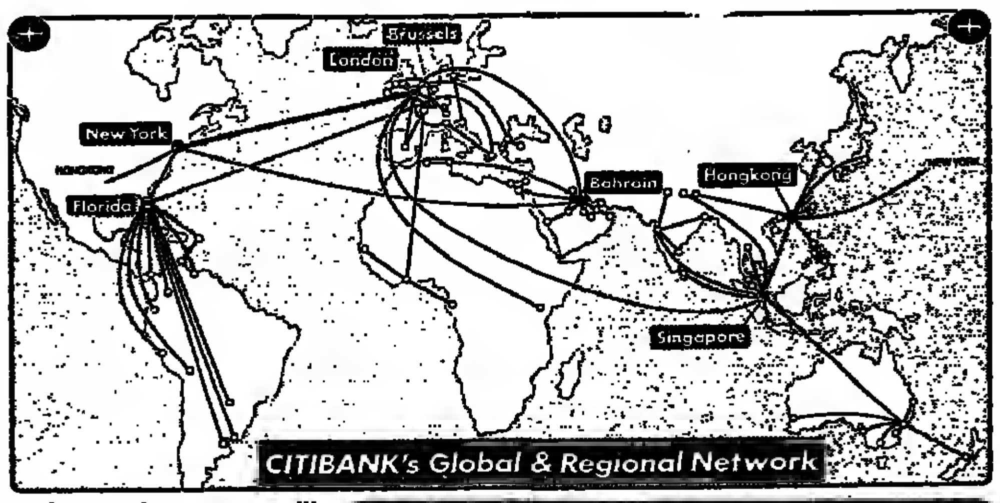
These computers were knowo collectively as Cosmos. Clearly, Citbonking would work only if the Cosmos computers were connected by telecommunications lines so that customers could occess account information held at any branch. What made it possible was a special kind of dota exchange with built-in intelligence provided by the UK company, Computer and Systems Engineering (Case).

At the time the network was engineered in 1980, Case's Data Concentrating Exchange (DCX) was the only available device which would allow individual users to switch through to particular locations. Now the network has 65 nodes (concentration points), and it seems that Citi plans to grow the network to more than 200 nodes.

There are plans to use packet-switching techniques between the major nodes, a technology which allows greater efficiency of communication at less cost, a project which has been christened Citiwin (Worldwide Intelligent Network).

What the network and the DCX switches make possible is for individual customers to examine their accounts and transfer funds either through their local Citibank computer or any other computer where they have accounts.

The use of the IBM PC as the "front end" for the system can make the whole business much simpler. There is for example a menu system where to call np information from any account world-wide, the treasurer simply keys in the appropriate menu number (until Citibank installs Racal autodiallers—expected soon—the treasurer will have to dial the appropriate telephone number).



CITIBANK's Global & Regional Network

A second service called "Autoreport" makes full use of the intelligence in the PC. Citibank reasons that corporate treasurers look mostly at the same reports from day to day.

The system can be so programmed that at the press of a key it will automatically ring each of the branches in which the treasurer is interested and prepare reports on the accounts. This is entirely automatic. The treasurer can leave the machine to carry out the report—on his return, all the information he requires will have been printed out.

Perhaps the greatest significance in Citibank's announcement is the fact that it sees the PC as the treasurer's window on all his accounts whether held with Citibank or any other bank, and any other electronic database.

C. T. BOWRING, the UK insurance broking arm of the U.S. group Marsh and McLennan, already uses Citibanking and City Cash Manager from its offices in the shadow of the Tower of London.

One of Citibank's prime trial sites, it is a natural candidate to move to Citibanking based on the IBM PC. Ms Phillippa Richards, Citibank resident vice president in the insurance area says: "Bowring is one of the first companies to whom we shall be offering the new service."

Mr Peter Wiggins, head of group money market operations and Ms Pam Francis, chief cashier, have been using the system to inspect balances for some time; some weeks ago they began to use it to transfer funds.

Mr Wiggins says: "This is only the tip of the iceberg."

Both he and Ms Francis agree that electronic methods are a great improvement over previous methods which involved a great deal of time telephoning branches to establish balance details.

But already it is obvious that the work could be carried out much more efficiently and smoothly if the terminal possessed local intelligence. The company is using a simple "dumb" terminal at present without local processing power. At the moment, for example, inquiries are routed through Citibank's Lewisham centre to its New York headquarters—all the computer processing is carried out there, and there is a distinct slowness about the whole operation, which could be overcome by local intelligence and local processing.

The precautions against fraud are impressive; three signatures are required for payment; electronic payments are checked twice after being entered into the system before being despatched at the press of a key—as Mr Wiggins points out: "With electronic banking, written authority is no longer possible."

NAVIGATIONAL SYSTEM

Finding the way with Racal-Decca

THE FACT that a man can be landed anywhere on the moon to an accuracy of a few feet might lead the layman to expect that navigation on the surface of the Earth would be just as straightforward.

The fact that it is not and that shipowners and mariners have to grapple with several options is largely a matter of history. Various radio-based systems have been invented and promoted since World War II, and they apply in different parts of the world.

For example, Loran C gives accurate continuous position fixing and has been adopted in U.S. and Canadian waters, while Decca Novigator does a similar job, but in Europe. Both have been accepted to some extent in other parts of the world.

Another system, Omaga, uses very low frequencies and is intended to giva continuous world coverage for ocean navigation to an accuracy of about two nautical miles. Tha most recent satellite navigation system on the other hand, Transit Satnav, uses UHF emissions from six orbiting craft to give fixes to better than 0.25 n-miles — but there can be delays in obtaining data due to *satellite* working.

Decisions about which of these systems to instal have now been eliminated by Racal-Decca Marine Navigation, which has introduced an equipment that will behave like any of the four, depending upon which will give the best result according to an internal computer.

Known as MNS 2000, the equipment has two parts, a multi-sensor receiver and a compact control and video display unit, together with the necessary aerial couplers.

The control and video display unit identifies tha optimum radio position fixing system to use and under microprocessor control, instructs the receiver to re-configure itself for Satnav, Loran-C, Omega or Decca Novigator. Automatic operation can be overridden for manual control and the system can be interfaced with the ship's log/gyro to give dead reckoning facilites.

The UK list price of the system is £7,250; a model with the Satnav element omitted costs £6,750. The equivalent annual rental and maintenance contract prices are £2,200 and £2,050 respectively. More on 01-942 7711.

GEOFFREY CHARLISH

ELECTRONIC ADVERTISIN 3

Local information via viewdata system

A LITTLE over a year ago Graham Hawker parted company with Grand Metropolitan's Metrotech computing operation and used his redundancy money to set np Metrotel, a small company which, among other things, is now furthering the cause of a relatively new idea—local area viewdata.

In view of the rather low key image that viewdata has as a result of its difficulties in the domestic market, Hawker admits be has o difficult task.

However, he points ont that although people may not want national information on a national basis at the prices offered, they might take a different view of local matters. They might welcome information about the locality simply because they live there and can use it he asserts.

Local traders should be interested in advertising (at suitable rates). For residents, shopping via viewdata, details of what local eating and entertainment centres are offering and perhaps data about what new books are in the local public library will all be of interest Hawker believes.

But the price of it all has to be right for operators as well as users. So Metrotel has developed a system that sells for £10,000, can accommodate 20,000 frames of data and has eight simultaneous dial-in phone lina ports.

Local entrepreneurs or government departments are likely customers says Hawker, and with suitable support the cost to the user could be minimised. More on 08956 77071.

Development

PA invests in new UK laboratory

PA TECHNOLOGY is to invest more than £4m in extending its research and development facilities in the UK, the company announced on Wednesday.

The company, which is the product and development arm of PA, the international management and technical consulting group, wants to add specialist facilities in genetic engineering, optics, voice technology, telecommunications, artificial intelligence, computer integrated manufacture computer aided design and silicon chip design.

The expansion at its Cambridge Laboratories will be matched by similar activities at its laboratories in Belgium and Spain. In the U.S., a new laboratory costing £4m is already under construction.

Dr Peter Hyde, director of the UK laboratory, said: "This is the second time in three years that we have commissioned a major extension to this facility."

Computing

Olivetti's personal p c

OLIVETTI IS planning to introduce a portable computer called M10 at Compec (Olympia, Nov 15 to 18).

The new microcomputer covers an area roughly the size of a piece of A4 paper and has a "pop-up" screen with liquid crystal display providing eight lines of 40 characters, or graphics.

Olivetti plans to sell the M10 through major distributors and direct to major accounts. The company says that the possibilities of applications software for M10 are currently being researched. More on 01-785 6666.

THE MANAGEMENT PAGE

EDITED BY CHRISTOPHER LORENZ

Job creation enterprises

Unemployment: today's growth industry

BY IAN HARGREAVES

On the clouds and silver linings principle, it was only a matter of time before inventive individuals found ways of making good business out of the unemployment crisis.

Britain, whose unemployment record is one of the worst in the developed world, has proved a particularly fertile seedbed for this new generation of job-creation enterprises: a fact ironic, but not entirely surprising. It is precisely because Britain's employment problems are so deep-rooted that they have generated a vast range of responses, chiefly from Government and the public sector, but also in recent years in public/private sector co-operative ventures.

This year, the Government will spend well over £3bn on its various anti-unemployment and regional regeneration measures. Brussels helps out too, with a contribution to the UK of over £400m a year. The existence of this large pool of funds and the need for expertise in tapping it has provided a significant opportunity for entrepreneurs.

The three companies profiled here all have the benefit of leadership from people who have worked inside the public sector job creation business. But since becoming independent, all three companies have shown that in this as in other fields, anyone who clearly identifies a market can become an exporter.

The idea of Britain selling unemployment remedies may seem like the ultimate piece of quackery, but the first customers seem to be satisfied.

(Left to right) Colin Ball, Paddy Naylor and Stewart Anderson

Centre for Employment Initiatives

'We're a Robin Hood organisation'

"WE AIM to be the leader in this field. We should be 10 times bigger than we are now, because the need is big."

That, unlikely as it seems, is the voice of the non-profit sector of the job creation industry. Colin Ball, an informal 40-year-old who prefers sweaters to jackets, is nothing if not ambitious.

One of the founders and now co-director of the Centre for Employment Initiatives, which has offices in London and Liverpool, Ball was one of three people who two years ago set up an independent centre to support anti-unemployment efforts.

Its objectives are more ambitious than those of JCL or Pace and its resources slimmer. Ball's experience working for bodies like the Manpower Services Commission convinced him that only by retaining complete independence from Government and other corporate patrons would the centre be able to do its job.

The centre, which has 11 full-time staff, is part consultant, part programme manager and part resource base. As such, it competes directly with Pace and JCL for work with local authorities and has succeeded in winning some of the larger contracts in the field, such as a commission to help the Irish Youth Employment Agency design a community and youth enterprise programme.

"We blend idealism and business-like attitudes. None of our competitors has that," says Ball, making both a statement of principle and, in the world of politically suspicious local authorities and self-help community projects, an effective marketing point.

The financial basis of the centre's company is that it charges clients who can afford it a commercial fee for its services (£160 per person per day for consultancy is the going rate), but offers free advice and support to fledgling projects which have no funds. Income from fees last year amounted to £117,000, but the centre also has a trust, into which any profits are channelled, and which carries out research, sometimes on contract from the company.

"We're a Robin Hood organisation. We work for the rich and channel the profits to providing information and advice free for penniless self-help groups," says Ball. The centre pays its directors £14,000 a year. "We're like so many other small businesses—no capital base whatever," says Ball.

Although the breadth of the centre's objectives inevitably causes problems in defining priorities and stretches resources to breaking point, the same fact does lend the centre's work a pioneering air.

A conversation with Colin Ball, for example, is likely to range between a biting critique of the MSC, which he considers narrow, institutional and remote, and theories about the "new trade unionism" necessary to foster the autonomous enterprises which Ball sees as central to both the economic and social future of the developed world.

The centre has become especially closely involved in what is known as the community business movement, having written two important treatises on the subject. Community businesses are, essentially, self-help enterprises with a combined commercial and social intent: for example, employing unemployed people to restore and sell old furniture. Such businesses, of which there are probably more than 100 in Britain, require Government or charitable money to get started and often find it impossible to become financially independent. "We need to ask whether community businesses ever can or should have to survive without help," says Ball.

Although this is a viewpoint out of tune with the mood of the times, it is not, says Ball, any different from other Government-funded cushions against market reality in the nationalised industries, or regional grants.

So far, however, the community business has won the centre more recognition in Paris and Brussels than in London. The centre has just completed a series of 20 local investigations into small scale employment initiatives in Europe on behalf of the European Commission and the Organisation for Economic Co-operation and Development. EEC and OECD officials speak warmly of the centre's contribution.

It is a contribution, says Ball, which fits no party political line. "We have as much difficulty getting support from the TUC as from the Government," he says, adding that he has himself never voted in an election.

The key, he argues, is ownership. "Community business is about power, about ownership and control." In the same way, the centre preaches "ground level design" for training and other projects, criticising the MSC for its failure to accomplish this.

In management terms, Ball says the priorities for the next year are the data base, to extend the network of associates and to get the centre better known as an innovative thinker and activist.

PA Creating Employment

Convincing clients of commercial potential

"JCL IS not in the same league as us," says Stewart Anderson, director of Pace, as he starts to list the global resources of PA Management Consultants, to which he has access.

"Pace took our literature and reprinted it," ripostes Paddy Naylor of JCL (see right). "Anyway, consultants aren't oriented to this type of work."

The degree of needle between JCL and Pace points to their mutual anxiety to distinguish themselves from each other, which in turn points to the great similarities between them.

It could hardly be otherwise, since, like Paddy Naylor, Stewart Anderson is a graduate of British Steel Corporation (Industry), where he was responsible for managing one of the jewels of the British job creation record: BSC(I)'s much lauded Clyde Workshops, which created 500 jobs in 80 small businesses in the unpromising east end of Glasgow.

Anderson, like Naylor, decided two years ago that his BSC(I) experience offered him an entrepreneurial opportunity, but decided to join forces with the mighty PA to create Pace—PA Creating Employment.

Pace's motto, says Anderson, is that "only customers create jobs," so it approaches the task of economic regeneration with a broader, if more conventionally consultant-like, marketing pitch, than does JCL.

"The biggest source of jobs is where a company comes to us and says it has spare capacity and would like to expand. Jobs are usually the last thing on the client's mind, but you end up convincing them that the socially worthwhile objective of creating jobs is compatible with the commercial objective." Pace's ability to help create jobs in large companies as well as through small business, says Anderson, is another important distinguishing factor compared with JCL.

Pace, with only 12 staff of its own, clearly relies upon PA both for back-up in resources and, to some degree, for contacts, although in practice its client base bears close resemblance to JCL's: a mixture of local government, central Government, government agencies and big companies.

One of the successes Anderson is most pleased with, for example, could come straight from the JCL scrapbook. Working for London and Northern, the steel stockholders which had a redundant 10-acre site near Motherwell, Pace advised that the company set aside part of the premises for small business workshops in return for planning permission to use the remaining land for retail development. "It's really just lateral thinking," says Anderson.

Another recent feather in Anderson's cap was his success in winning a Government contract to manage the Londonderry Enterprise Zone — a contract for which JCL had also bid.

Pace's willingness to commit long term and full-time management to particular projects does, says Anderson, distinguish it from other consultants' advice and planning services. Pace is currently looking at a project in the Shetland Islands to help the BP-led syndicate which owns the Sullom Voe terminal develop employment opportunities for displaced islanders. "A local body will have to manage anything that is done there," he says.

Job Creation Ltd

'People want you to fall on your face'

"CUTBACKS and restructuring," says Paddy Naylor, "were really what the next decade was going to be about in British industry."

That, he adds, was his view in 1977, when he signed a three-year contract to run British Steel Corporation (Industry), an offshoot of the nationalised steel company designed to tidy up some of the social and economic mess left behind by retrenchment.

Six years later, with a workforce reduced from over 200,000 to under 75,000, BSC has proved Paddy Naylor's point. But as he sits back in the Old Bond Street offices of his present company, Job Creation Limited, it becomes evident that not everybody came out of the BSC holocaust without a future.

Paddy Naylor took to BSC(I) in 1977 a strong general management background from Ford, Plessey, Bovis and Furness Withy: a career which had itself been built on the foundations of an entrepreneurial fling as a young man in his own small business.

When he left BSC (I), Naylor and his colleagues had devised a packaged approach to job creation which Naylor was convinced could be marketed commercially to local authorities or large corporations, hence Job Creation Limited.

"What we didn't know, I suppose, was whether anyone would pay real money," he recalls, which was why JCL came up with the catchy idea of payment by results. It told clients that it would move a team into their areas and work initially on a cost-covering basis. But if the client agreed that a certain number of jobs had been created at the end of the agreement, JCL would receive a fee for each job.

The fee in the UK is £250 per job at 1981 prices, increased to reflect price inflation since that time. In Europe, JCL asks for £400 a job. Since the scope for disagreement about whether any job has been created by the efforts of JCL or anyone else is boundless, the company operates on the principle that the customer knows best. It takes payment, and therefore profit, only from satisfied customers. "It's an open book system and we're proud of it," says Naylor.

Once having attracted a client's attention with this, the sales pitch can be backed up by quoting the experience gained with BSC(I).

The BSC(I) formula is simple and, by now, well known. BSC(I) nourished small businesses by pumping in start-up capital and cheap loans—many of them backed by the EEC social fund—and created the right kind of premises: the classic small-business "village." These villages, which have been extensively copied throughout Britain and beyond, offer the small businessman low rents, low start-up costs and a central service point for help with things like marketing, accounts and financial planning. BSC(I) itself claims to have helped create 20,000 jobs since 1977.

Paddy Naylor sums up the approach as follows: "We demonstrated that a local initiative with executive control on the ground could be successful. You really could make things happen."

Since 1980, JCL has attempted to transplant the BSC (I) method, although it has been forced, in practice, to modify its ideas according to local circumstance.

Its first job, for the Highlands and Islands Development Board, for example, strayed from the payment by results formula, which is probably as well given the length of time it took for JCL's people to prise loose the funds necessary to create small business premises. Three years on, Naylor claims success, with the new premises filled by a random array of small service businesses. HIDB board officials acknowledge progress, after a slow start, but point out that Fort William still has a long way to go before its employment problems are resolved. Another customer, Southwark Borough Council, dismissed JCL because a newly elected left-wing majority considered the company's efforts irrelevant.

JCL learned from Fort William the importance of availability of premises and of getting the right size and quality JCL team on the ground at once. "You have to have at least two people—it's a lonely job," says Naylor.

It also learned the importance of creating momentum in the first months of a contract. "There are always plenty of people who want to see you fall on your face."

JCL, however, has not fallen on its face too often and now has a client list which spans five countries. One of its biggest projects has been for Philips, the Dutch electrical company, which used JCL to establish a small-business village and, along the way, as a catalyst in re-thinking its corporate view on venture capital and small-business spin-offs. JCL has also done work in Belgium and Germany and recently took on its first project in the U.S.

Probably the ideal situation for JCL is when it is paid by both sides—by a company which needs help to ease its social conscience and to dispose of redundant premises and a local authority which is willing to pay to create new jobs lost when the premises became redundant.

Thus in Gosport, JCL took on a Reed wallpaper factory and with the help of the local authority turned part of it into small business units. For any units sold on the open market, JCL collects an agency fee.

Having struggled financially for three years—since its job creation fees are collected in stages over two years—JCL has, says Paddy Naylor, recorded its first half-year profit, of "about £200,000 net" this year. Electra Investment Trust this summer put £350,000 of equity into JCL in return for a 32.5 per cent stake. Naylor remains the largest shareholder with 35 per cent.

The company which started life with £10,000 in paid-up capital and a £125,000 bank line of credit now employs 35 people, most of them on reasonable middle management salaries. JCL pays Naylor himself £30,000 a year.

In so far as all this leads to any general theory of unemployment, Paddy Naylor subscribes to the asparagus and colour TV school, which states that in the future "you will be able to buy a colour TV for the same price as a sweater or a pound of asparagus."

So, in economic terms, it is as sensible to encourage the sweater knitters and asparagus growers as to persuade Sony to set up in Wales. JCL expects to go on making money as one of the encouragers.

INTERNATIONAL SHIPPING

How a UN code is making waves

By Andrew Fisher, Shipping Correspondent

THE WORLD'S conference line shipping operators have just become subject to a new and controversial United Nations code aimed at giving developing countries a far greater share of the seaborne trade to and from their shores.

In the long term, the new code could prove to have far-reaching implications for international shipping. But its more immediate impact is proving difficult to judge because it is far from clear how faithfully shipping nations will choose to implement it.

The developed countries were reluctant to accept the philosophy behind the code, but most of them—with the notable exception of the U.S.—have decided to go along with it. EEC nations are prepared to implement a modified version of the code which is designed to give the developing countries what they want, *without destroying* free trade between developed nations.

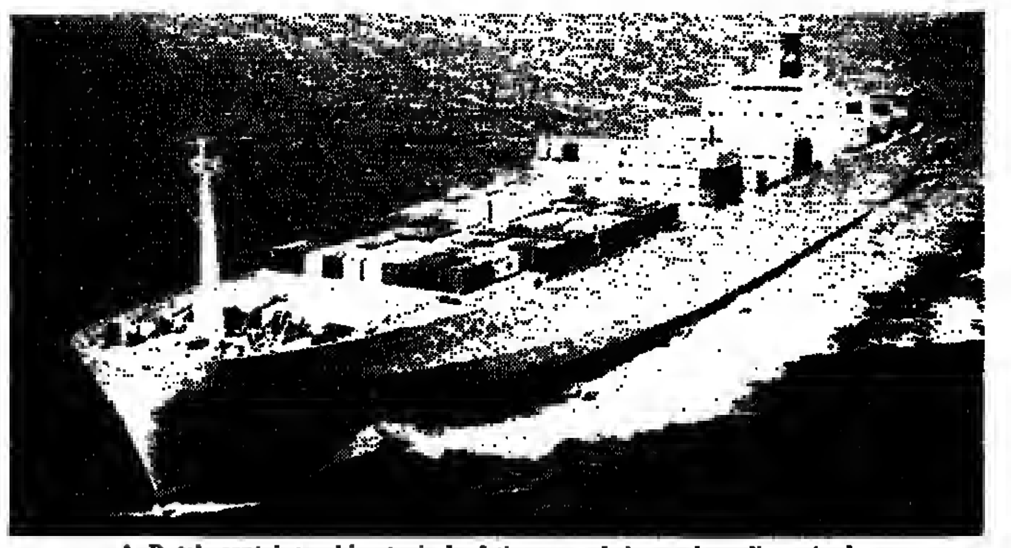
The conference lines covered by the code are cartels, originating in the 19th century, which set rates, agree schedules and decide cargo allotments among members on routes between particular ports.

The code, drawn up under the auspices of the United Nations Conference on Trade and Development (Unctad), was first adopted in 1974, but has only recently come into effect after much argument.

In the intervening years, a great deal has changed in the shipping world. Non-conference outsider lines now control a high proportion of scheduled trade on certain routes, relying on cheaper rates to attract business.

The code has two key clauses:

● The first states that the lines of the countries at each end of a trading route shall have equal rights to participate in the conference traffic between them.



A Dutch container ship, typical of those used in modern liner trades

● The second provides for cross-trading countries, operating between ports beyond their home base, to take a significant part, defined as being around 20 per cent, of the traffic in each trade. Britain and the Nordic nations are major cross-traders.

The wording of these clauses has led to the code being called the 40-40-20 formula in the industry—though this breakdown is not spelt out in its actual wording.

The 40-40-20 formula means that lines of importing countries would theoretically have 40 per cent of shipping conference business — non-conference, or outsider lines, would be unaffected — those of exporting countries 40 per cent, and cross-traders the rest on each route.

In practice, a share-out could never be quite so precise. Furthermore, the code is not expected to apply to shipping between developed countries, which account for some 75 per cent of conference line traffic.

The reason is that the EEC member countries have proposed a modification to the code under which, while 40 per cent of conference trade with a developing country would be reserved for that country's lines, the balance would be open to normal competition among lines in OECD countries.

However, the U.S. has been holding out against both the original code and the EEC modifications to it. It claims the code is protectionist and argues that countries should rely more on free trade yet with some bilateral deals.

In recent talks with the U.S., western European shipping nations sought to reconcile the differences. Some progress was made, but major obstacles remain, namely over attitudes to government cargoes covering such things as aid shipments. About a tenth of U.S. liner trade is categorised as such and reserved to domestic lines under national shipping laws, thus keeping out other countries.

There are more than 350 conferences in world shipping, the biggest being the Far Eastern Freight Conference with over 30 members.

The advantages of the conference system to shippers and forwarders lie mainly in the reliability of service and the guarantees of price and timing. Increasingly, though, cheaper and aggressive outsider lines have come on to the scene.

The code does not cover these non-conference lines directly. A UN resolution at the time of the code's initial adoption in 1974 said it was not meant to deny shippers the choice between lines in or outside conferences.

This resolution laid down that outsiders competing with a conference "should adhere to the principle of fair competition on a commercial basis."

When the code was drawn up, only around 5 per cent of liner traffic was handled by outsiders. Now, the level is more than 40 per cent and up to 60 per cent in some trades. Some developing countries feel the code should be applied to outsiders as well.

Among the best-known non-conference lines are two Taiwanese companies, Evergreen and Yang Ming, ABC Containerline of Belgium, and Trans Freight Lines of the U.S., though the latter has recently joined two North Atlantic conferences.

It is on price that many of the outsiders have scored, though often at the cost of severe financial disruption of trades, through offering cheaper and uneconomic rates.

Much of world liner shipping these days is containerised. One big container vessel can carry as much as five or six older conventional ships. The big Japanese lines, European companies such as Overseas Containers Ltd (OCL) of the UK, *the financially hard-pressed* Hapeg-Lloyd of West Germany, and Nedlloyd of Holland are among the biggest liner and conference operators.

The code does not cover the tanker or bulk carrier sectors of shipping. Liner vessels transport general cargoes—anything from machinery to personal effects.

The new UN code was described at a recent conference in London held by Lloyd's Shipping Economist as "a momentous event in the history of liner shipping," by Mr Jim Davis, a director of Kleinwort Benson, the British merchant bank. But he was sceptical about the likely financial consequences.

National lines, especially in developing countries, might well embark on new tonnage ordering programmes in order to boost their shares of particular trades, he felt. But the code provided no defence against outsiders coming in at a time when liner ships are already in over-supply.

Thus he argued: "The implementation of the code will do nothing to provide greater security for bankers, who will still have to look to the overall volume of trade, the credit-worthiness of the shipowner, and the extent of non-conference competition when making their assessment of loan propositions."

So when developing countries seek to find the money for their new vessels "I do not think that commercial banks will be rushing to provide this finance, unless they receive very substantial assurances concerning management, trade volumes and freight rates, and the enforceability of mortgages."

Speaking in the code's support, Mr Sanjoy Sen, deputy chairman of the All India Shippers' Council, said that it was a flexible document. "Its provisions are capable of being adapted to meet a particular situation prevailing in a particular trade or in a conference."

He noted also the strong emphasis in the code on consultation, so that conference members, shippers, and governments could agree on how to conform to the code.

With a two-year transition time to allow conference lines to adjust to the code, it will be some time before its effects are seen. UNCTAD is doing its best to put pressure on non-ratifying countries to change their stance.

But the immediate effects are unlikely to be startling. After all, conference members have had nine years in which to consider their strategies for the new era. And the growing role of the outsider will make it even harder to apply fully. Nor will all maritime developing countries be able to reach anything like 40 per cent of the relevant trades, while others—like South Korea and Indonesia—have already achieved this.

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FINANCIAL TIMES SURVEY

The spread of home freezers has been behind the buoyant growth in frozen food sales. Margins for manufacturers and retailers have been squeezed, however, by intense competition, and this has put a premium on the development of new added-value products

Frozen Foods

THE UK FROZEN food industry has come a long way since the early days of the 1950s. Then, the technology of freezing, distribution and home storage lagged a long way behind consumer expectations, but, as methods improved and standard rose, so demand quickened.

The market's growth in the late 1960s and early 1970s was hampered, industry officials admit, by a lowering of standards as a number of new companies entered the market. The result was over-supply, fierce competition and ultimately a deterioration in standards—problems it has taken the industry years to overcome.

The character of the industry—worth over £1bn a year in sales—has changed markedly since those early days, though there remains fears that in the wake of the further surge in growth which took place in the early 1980s there could again be losses of quality.

The trend over recent years, bowever, has been for producers to depend less and less on basic commodities with their variable harvests and volatile markets — for example, the frozen vegetabla sector where the danger of corners being cut is at its greatest.

Instead, the trend is for companies to look towards value-added convenience products. "These enable companies to implement detailed cost planning and to directly allocate promotional funds to prodncts clearly definable as profit makers," Mr Alf Carr, secretary general of the British Frozen Food Federation points out.

Findus, for example, has been concentrating on new added-value prodocts but so have been the other majors as well as a whole host of smaller companies. Without the need for heavy investment in freezing technology and equipment for vegetable frozen foods, smaller companies can more easily compete with the big companies in areas where initial investment is relatively low.

United Biscuits has secured a considerable market presence though concentrating only on added value lines. Recently, it has brought all its frozen products together under the established McVitie'e brand name.

The importance of new product development was shown by a poll carried out by the trade

Overcoming the early problems

BY DAVID CHURCHILL, CONSUMER AFFAIRS CORRESPONDENT

magazine "Snpermarketing" earlier this year. This poll of the best new products launched during 1982 gave frozen food companies an unprecedented seven out of the top 20 new products. Birds Eye alone had four of these products—a record in the history of the poll—and filled the top two slots with its own crispy cod steaks and steakhouse grills.

New product development has undoubtedly been one of the key factors in the significant market growth of the past couple of years. But there have been other factors at work as well.

Probably the most significant engine of growth has been the increased penetration of freezers into UK households. A decade ago only 6 per cent of households had freezers; now the figure has reached almost two-thirds of all households.

The growth in home freezer ownership has also coincided with the trend towards smaller, upright freezers rather than the large chest-type of freezers so popular in the mid 70s. In addition, the trend is towards combining a refrigerator and freezer in one unit.

At first sight, this trend away from chest freezers would appear to be detrimental for frozen foods sales. However, the trend towards smaller freezers reflects the greater use of bought-in prepared frozen foods by consumers rather than freezing their own-prepared foods.

A new survey from the Allen, Brading and Marsh advertising agency emphasises this trend. "Consumers no longer regard frozen food as only a convenience product, but more as an added value product," the survey says.

Other surveys suggest that with more working women and the trend towards less regular meal times, frozen foods play an increasingly important role in the home.

Reflecting this trend has been the increased willingness of supermarket chains to devote sales space to frozen foods. Food retailers were relatively slow to adapt to the move towards frozen foods, which enabled specialist freezer centres, such as Bejam, to secure a considerable market niche. But, over the past few years, the major food chains have allocated greater space to the added-value frozen food products—and thus helped generate sales growth.

This sales growth, however, has also had the effect of increasing competition in the industry. "It is no secret that the intense competitien in frozen foods is putting pressure on the margins of both manufacturers and retailers," points out Don Angel of Birds Eye. Such pressure led to Birds Eye announcing the closure last summer of two food plants and an ice cream factory, with the anticipated loss of about 2,200 jobs over the next four years.

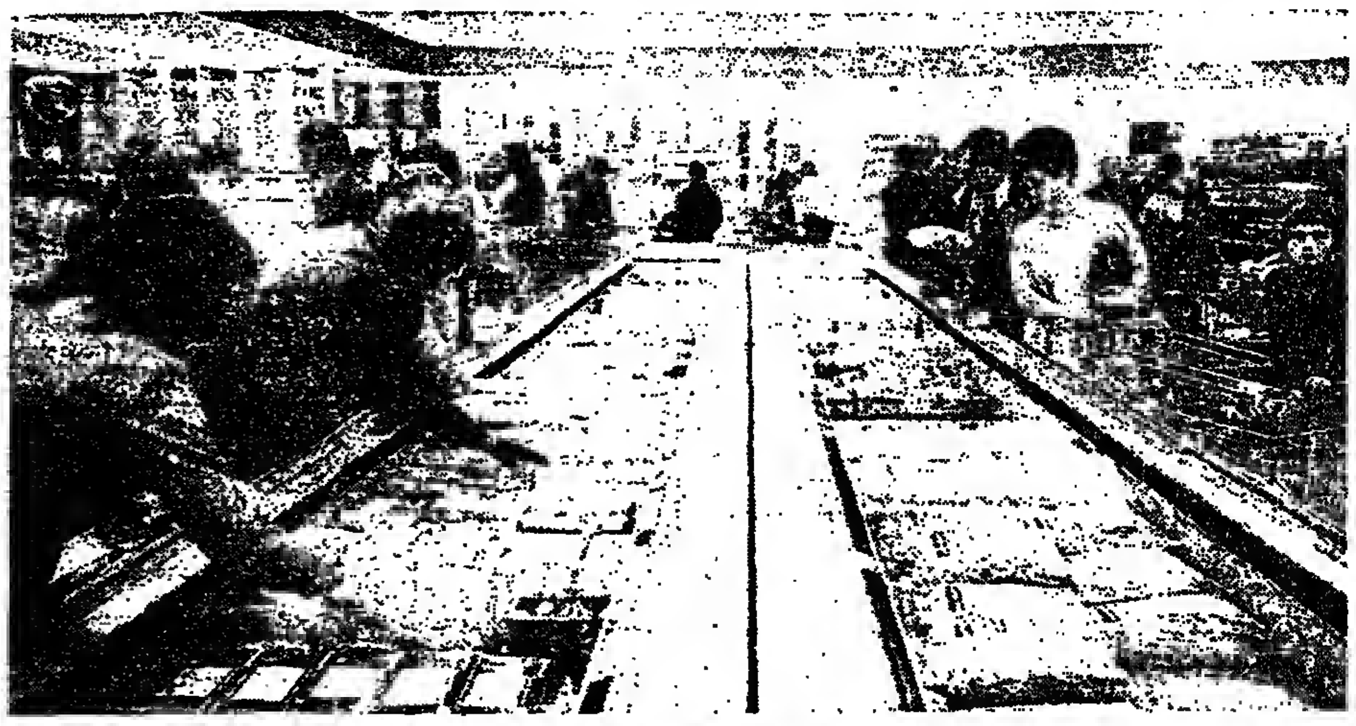
"Truly this is not an easy industry in which to make money, as some of our competitors have found to their cost," adds Mr Angel.

Ross Foods, part of the Imperial Group, maintains that it has fared best of the "Big Three" in the past year. Ross claims that its market share is now 9.2 per cenr by volume, compared with 18.4 per cent for Birds Eye and 3.1 per cent for Findus. This represents a 13 per cent volume gain for Ross and a decline for the other two majors, it claims.

The future growth of the UK frozen food industry will also depend on how successful UK producers are in spotting market trends and new ideas. One prime source for these, are the international trade shows, the next one of which IFFEX '84 takes place in Copenhagen next spring.

One trend that will be closely watched is in the U.S. where a major development has been towards frozen low calorie speciality meals and other products. Stouffers, a Nestlé subsidiary, started this trend a couple of years ago with its 300 calorie or less "Lean Cuisine" line.

Ideas like these may or may not catch on in the UK market, but few within the industry believe that the overall growth of the market in the rest of the 1980s will fail to continue to be ahead of the food trade in general.



Supermarket chains were relatively slow to adapt to the move towards frozen foods but they are now devoting more sales space to them

Mild winter slows expansion

The market

DAVID CHURCHILL

THE FROZEN FOOD sector has shown some of the most rapid and sustained growth of all food markets during the recession, at a time too when the overall demand for food remains relatively static.

Frozen food sales grew by between 15 and 16.5 per cent in each of the last two years—to reach either £1.152bn (according to Birds Eye Wall's) or £1.136bn (according to Ross Foods)—a discepancy due to a difference of opinion withio the trade as to exactly what should be included in the frozen foods sector.

This buoyancy was helped by the cold winter at the beginning of 1982, which gave a boost to frozen vegetable sales. By the end of the year, however, over-production in this sector, and mild weather, meant that "the end of 1982 was a lot tougher than the beginning," according to Mr Don Angel, chairman of Birds Eye Wall's.

According to trade sources, 1983 has also been more difficult with total market growth at only about a third of last year's level ar around 5 per ceot. "Following the extraordinary progress of the previous years, some reduction in the rate of market growth may have been anticipated, but the extent of its deceleration was largely the result of adverse conditions in the market for frozeo vegetables," says Mr Howard Phillips, assistant managing director of Ross.

The vegetable sector still accounts for more than half of all frozen food sales in volume terms, and the effect of last winter's mild and unusually long season for fresh produce not only depressed that particular sector of the market but also seemed to cast a shadow over the general performance of the industry.

More immediate prospects are rather more difficult ro assess, in the light of the drastically changed situation in the vegetable market. Both pea and potato crops were affected by poor weather conditions earlier this year, and have fallen significantly short of the anticipated harvest levels.

Targets

Peas, which account for more than half the frozen green vegetable market, were down on yield targets by about 10 per cent. At the same time, the sharp escalation of potato prices will have an increasing effect on prices for chips and other potato products.

The other sectors present something of a "swings and roundabouts" position, according to Ross's Howard Phillips. Meat products bave continued to make substantial progress, adding a furthei 12 per cent to the sector's 25 per cent growth achieved in 1982. At £380m, meat products have now overhauled vegetables and fish to become the most important sector io sterling terms.

Sales within the fish sector, which in recent years have been boosted by considerable new product development, flattened out from a 9 per cent growth lo 1982 to virtually a no-change position in the first balf of this year. Particular problems bave been bigh raw material costs as well as a fall in demand during the hot weather.

Frozen desserts, however, have benefiled from the long bot summer and al present sales are running some 8 per cent above last year's level. At one stage last summer, sales were running some 23 per cent ahead.

FROZEN FOODS II

Intense competition squeezing margins

Manufacturers

CARLA RAPOPORT

LIKE PEAS left to boil too long, profits in the frozen food producing industry have gone distinctly soggy.

The reasons for this decline are oot unique to frozen foods. Along with a bost of other manufacturers, frozen food conpenies are suffering from the intense price competition caused hy too many concerns trying to aell the same kind of products.

But unlike the conditions of most other UK industries, growth is not e forgotten word io frozen foods. The development and exploitation of market niches within the sector provide a fair amount of hope for the revival of margins. These markets—for products providing greater convenience, taste or just relief from plain old peas—are the key to the industry's future.

"It is our vlew that there has been too much hroad scale marketing in the past. National brands have emotionally felt the need to appeal to the so-called mass market, to be all things to all people some of the time," says Mr Mick Cohurn, managing director of Flndus, the frozen food subsidiary of Nestle UK.

Findus has been working hard on reducing its exposure to simple products like frozen peas and concentrating on prepared items such as pizzas, frozen ready-to-eat meals and snacks. Even so, the group recorded a loss of £10m last year and earlier this year had to close a plant in Humberside with the loss of 800 full-time jobs and 600 part-time jobs.

The growth in own-label brands in the consumer market has sliced heavily into the market shares of Findus and Birds Eye, the Unilever subsidiary. In prepared foods, which account for about a third of the total market, Findus has a much more encouraging 19.2 per cent share.

Backing up this commitment to niche markets Findus opened a £30m plant near Newcastle earlier this year. It will make French bread, pizzas, beefburgers and extra-crunchy fish fingers in an effort to revitalise the group's profitebility and over market share.

Groups such as Findus ere now in direct competition with independeot producers who supply the large frozen food retailers like Bejam with non-branded, low-cost vegetahles. "These independents bave picked out the eyes of the branded companies in low-cost production of frozen vegetables," says Mr David Lang, food analyst for Henderson Crosthwaite io London. "The low-cost operators also do private label for the multiples, another growing market. The brands have simply been taken to the cleaners."

Stunning

The response of the majors is to invest in plants which make higher value-added products. "You have to do it or get out," says Mr Lang.

Indeed, industry statistics on what consumers are huying lend support to a thumbs down approach to frozen vegetahles. According to Birds Eye, volume sales of vegetahles, excluding potatoes and potato products, last year were only 0.3 per cent up on 1981 levels.

Potato products and meat products (frozen chips and burgers, for example) jumped 12 per cent last year. Pizzas, elthough still e tiny slice of the market, showed a stunning 17 per cent advance in volume terms last year.

Birds Eye, still the largest single brand name in the market and for many the synonym for a packet of frozen peas, has not been immune from the general troubles in the sector. Following the shut-down of two of its plants earlier this year, London stockbrokers predict that the group will show a £5m loss this year, including some £15m in restructuring costs, despite the division's excellent success with ice-cream during the Caribbean-style summer of 1983 in Britain.

There is an exception to every rule, however, and Ross Foods, a division of Imperial Foods, has been that exception. Of the three major manufacturers only Ross bas been able to boost its market share in recent years. According to Mr Brian Cookson, the group chairman, Ross has managed to hone down its costs on its high-volume foods.

These efforts, plus innovative packaging and strong sales support, helped to contribute to an impressive 30 per cent leap in profits last year. Ross's profit margins improved from just over 2 per cent in 1981 to nearly 3 per cent last year.

Ross has not neglected new product development, however, end claims to bave the most modern pizza factory in Europe. But, its commitment to fish fingers has been underlined by a £2.8m refurbishment of its Grimshy fish production units.

These large companies face a hewildering number of competitors lo every pocket of the frozen food market. Government statistics show that no fewer than 26 concerns make fish fingers, for example, wbile 62 make frozen meat products.

Some of these pleyers bave fairly deep pockets. United Biscuits Frozen Foods, less than seven years old, has now heen consolidated under the McVltie hrand name, instantly rivalling Findus for third place in terms of sales this year. It has already scored a big success with its King Harry pizzas, which now have about 15 per cent of the market.

Healthy

Kraft, the large U.S. cheese-maker, has closed its UK cheese producing plant and is switching its emphasis to frozen foods. It is spending more than a £1m this year to promoting its line of meat products and new Kraft products are now on the way.

An example of success in a niche market has been McCain Foods, the fest-growing group which has capitalised on the consumers' love of cbips. It aays that last year sales advanced strongly with profit margins in a "healthy" state.

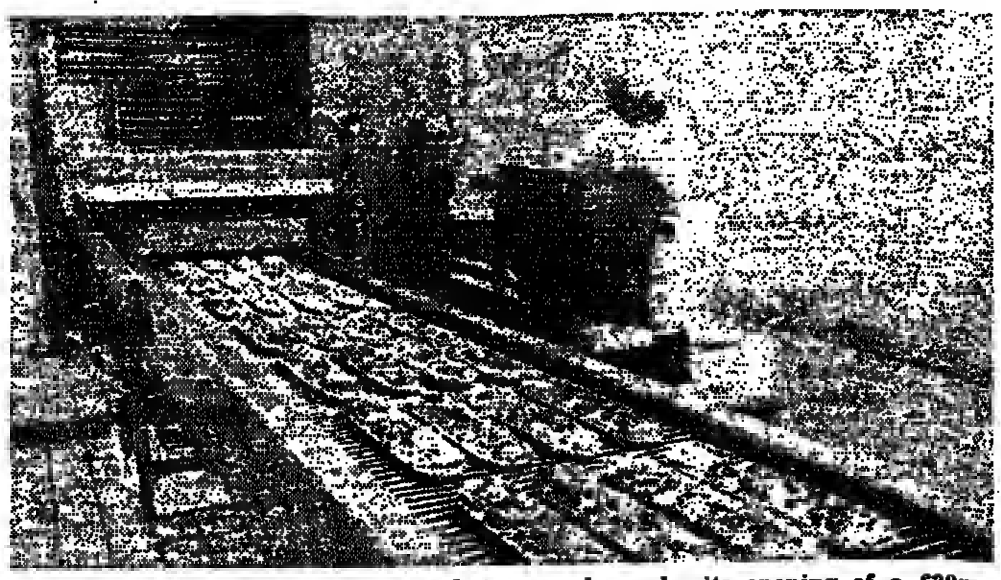
Nash Foods, of Canterbury, has also found a profitable lode in the frozen food market, especially frozen desserts and meat pies in see-through packaging. The group has already expanded production of these foods in response to growing demand from retailers.

The flexibility of the major manufacturers is also under new challenges from the highly specialised producer.

Sharwoods, the London-based group owned hy Ranks Hovis McDougall, has successfully developed its own range of packaged Indian foods and spices. Earlier this year it introduced a range of Indian-style frozen foods.

Mr Andrew Summers, managing director of Sharwoods, makes no bones about his marketing intentions. "We see our frozen Indian dishes as both a new business for us and our customers. As an alternative to the Indian restaurant take-away trade it gives the retailer a larger slice of the housewife's food pound," he says.

With this kind of innovative planning, plenty of advertising support and modernised production fecilities, more of Britain'a frozen food manufacturers may be able to put the crunch back into their margins.



Findus's commitment to niche markets was shown by its opening of a £30m plant in Tyne and Wear earlier this year. It makes French bread, pizzas, beefburgers and crunchy fish fingers.

Sales boom likely to continue

Fridges and freezers

DAVID CHURCHILL

THE CONSUMER boom over the past year, atimulated by the ebolition of hire pnrchase controls and lower mortgage rates, has led to a mini-boom in sales of refrigerators and freezers with the market experiencing the best sales growth since 1977.

According to market research, some 98 per cent of Britain's households have some form of cooled storage equipment. More importantly for the frozen food market, however, are the figures which sbow that domestic freezer ownership has now reached some 65 per cent of households. Ten years ago, home freezer ownership was just 6 per cent and even at the end of last year it was 62.4 per cent. Bnt the mini-boom has led to a spnrt in sales.

The main market growth bas been in sales of fridge/freezers, reflecting the trend away from large chest freezers in recent years towards more manageable combinations for consumers.

In 1982, out of a total market of 2.2bn units delivered, some 838,000 were refrigerators, 760,000 were fridge/freezers, and 554,000 stand-alone freezers.

This growth in fridge/freezers is good news for British manufecturers which have tended to concentrate in prodneing these types. Correspondingly, imports of fridge/freezers have fallen from 78 per cent in 1977 to 37 per cent last year.

Hewever, some 44 per cent of refrigerators (37 per cent in 1977) and 70 per cent of freezers (52 per cent in 1977) still come from abroad—mainly Italy.

According to a recent report from the Mintel market researcb company, fridge/freezer ewnership is highest in the 45 to 54 age group, while the separate freezer is more popular among the 35 to 44 age range. The research also ahows that the C2 social classification consumers are the main buyers of fridge/freezers, while chest freezers are more popular with C1s. The AB executive and professional classification consumers tend to favour chest freezers and uprights equally. Lancashire has the highest level of fridge/freezer ownership although there is a relatively high rate of purchase of appliances in Wales, the West and South-West.

Mintel predicts that the market is likely to continue to grow steedily for a number of reasons. First, those consumers who bought freezers in the early 1970s will soon need to replace them with more modern equipment. Second, the rate of household formation is increasing, bringing in the new buyers who will often look for equipment that takes up little floor space to meet the trend towards smaller dwellings.

U.K. FROZEN FOODS EXPENDITURE 1967-82

	£m—current prices				
	Freezer owners	Non-freezer owners	Total in-home	Catering	Total
1967	n/e	n/a	101	19.5	120.5
1973	60	185	245	100	345
1974	83	210	293	125	418
1975	120	245	365	135	500
1976	185	285	470	150	620
1977	235	315	550	175	725
1978	290	315	605	185	790
1979	374	346	720	210	930
1980	512	355	867	230	1,097
1981	652	347	999	237	1,236
1982	818	334	1,152	228	1,380

Source: Birds Eye.

Multiple stores increase share

Retailers

DAVID CHURCHILL

THE RAPID growth of the frozen food market over the past two years, especially in comparison with only a limited growth ln food sales overall, has encouraged moat supermarket cbalns to increase their display space allocated to frozen foods.

Consumers, market research has sbown, are more likely to buy frozen foods on impulae if they are on display—hence sales in some supermarkets have gone hand in baod with the display space allocated. But supermarkets have also become aware that the explosion in new product ideas in the last couple of years has stimulated consumer awareness and offers the stores much hetter profit margins than on meny other food lines.

The supermarket chains were less enthusiastic about frozen foods in the early 1970s—a reluctance which enabled specialist freezer centres to capture a significant share of the market. But once the supermerkets became serious about frozen foods, then their sbare of the market increased, while that of freezer centres bas shown much smaller growth.

Flgures compiled by Audits of Great Britain and released by Ross Foods show that the multiple grocers heve steadily boosted their share of the frozen food market over the yeers—from 45.4 per cent of salcs in October 1979 to 50.4 per cent io March this year. Freezer centres are the second largest avenue for distribution, with 23.3 per cent of the market this year compared with 21.1 per cent in October 1979.

The retail co-operative societies have remaioed almost static over this period—with 10.4 per cent ln 1979 and 10.3 per cent earlier this year.

The gains made by the multiples end freezer centres, therefore, came at the expense of the independent grocery groups—whose share fell from 11.7 per cent to 7.4 per cent—and from all other outlets, which experienced a drop from 11.4 per cent to 8.6 per cent.

The effects of such increased concentration in the hands of major multiples is shown by the decline in the total number of sbops atocking frozen foods: at lts peak, according to trade sources, it was ebout 100,000 outlets, but now it has fallen to around 80,000.

Among the major multiples, it is the J. Sainshury chain which bas the largest share of the market. In March this year it bad a reported 12.5 per cent share of the market for consumer frozen foods, compared wlth 8.3 per cent in 1978.

Tesco was ranked the next leading multiple selling frozen foods, with e 9.7 per cent share in March this year, compared with 10.0 per cent in 1979. Asde had 6.9 per cent this year, and 4 per cent in 1979.

The other multiples had markets shares ranging from between 1 and 3 per cent.

Further analysis of the figures shows the multiples' share ln both the large pack and small pack markets. Small vegetable packs, are those up to 31 ounces in size, while large packs are 32 ounces and over. In hroad terms, this reflects consumer purchases for the frozen food compartment of a refrigerator and those products bought for freezers.

Sainsbury, according to these figures have 11.3 per cent of the small pack market and 13.7 per cent of large packs. Tesco have 11.4 per cent small, and 8 per cent large, while Asda's figures are 6.1 and 7.6 per cent respectively.

Sales structure

The Co-op's share is 15.3 per cent in small packs, hnt only 5.3 per cent in large packs.

Freezer centres, not surprisingly, have a totally different sales structure. Bejam, for example, has only 1.8 per cent of small pack frozen food, hut 19.4 per ceot of large pack products. Cordon Bleu hes 0.8 per cent and 4 per cent respectively.

One retaller not ldentified in the AGB figures waa Marks and Spencer which, although primarlly a clothing retailer, has rapldly expanded its food sales in recent years

Another mainly clothing relaller with ambltions in the food market is British Home Stores which has recently forged an experimental link with the Bejam freezer ceotres.

Under the test arrangement, Bejam will sell its own label frozen foods in two BHS branches, while BHS will sell its chilled foods in a couple of Bejam slores.

SOURCE OF PURCHASE

	Frozen Foods — 12 weeks ending				
	Oct 1979	Oct 1980	Sept 1981	Dec 1982	March 1983
	%	%	%	%	%
Multiples	45.4	47.0	48.5	50.8	50.4
Co-ops	10.4	10.2	10.4	10.4	10.3
Independents	11.7	9.8	8.5	7.3	7.4
Freezer centres......	21.1	21.1	22.9	23.3	23.3
Oll others	11.4	11.9	9.7	8.2	8.6
	100.0	100.0	100.0	100.0	100.0

Source: AGB.

Bejam remains the largest freezer centre in a retail grouping which most retail analysts believe has reached market maturity. This is borne ont hy the small ebsolute growth in freezer centres — there are ahout 1,000 — although there has been some growth in market share.

Bejam now bas almost 200 freezer centres in the UK, compared with some 170 a couple of years ago. Bejam started in tha late 1960s and developed rapidly over the next decade.

Bejam's rapid success—it found e market niche unexploited at that time by the supermarkets—eventually led to e stock market quotation in 1973.

Bejam, according to the AGB figures, bas some 10.5 per cent of the frozen food market, which makes it second only to Sainsbury and just ahead of the co-ops. Its market share has grown from 9.1 per cent in Octoher 1979.

Apart from the co-ops, the second largest freezer centre chain is Cordon Bleu. Owned hy the Argyll Foods Group, it has about 130 stores. Iceland Frozen Foods plans to have ebout 80 freezer centres by the end of this year.

The distribution pattern in frozen foods remains clear, however, with the multiple supermarket groups and specialist freezer centres continuing to squeeze out the small grocery shops and capture an ever-increasing alice of a growing market.

FROZEN FOODS III

New products the key to the market

Innovation
DAVID CHURCHILL

NEW PRODUCT development is the key to the frozen food markets of the 1980s. While the growth of the overall frozen food market in post-war Britain was caused primarily by demand for frozen vegetables it is now the newer convenience products that promise the best financial returns.

Thus the major companies that have dominated the industry for so long face an uncertain future as sales of commodity items such as vegetables—in which they have considerable investment — remain static and subject to fierce price competition. At the same time, the development of integrated distribution makes it much easier for smaller companies to break into the market with speciality frozen products aimed at particular market niches.

Impetus

Yet this has not stopped the big three producers — Birds Eye, Ross, and Findus — from becoming major innovators as they realise that added value is the key to long-term profitability.

The impetus shown by the big producers was reflected earlier this year in the annual poll taken among the grocery trade by the magazine Supermarketing to find the best new products of the year. Frozen food companies took an unprecedented seven out of the top 20 new products, and Birds Eye alone had four of them — again a record in the history of the poll.

Birds Eye filled the top two slots with its "Oven Crispy" cod steaks and "Steakhouse" grills. Wall's, which has now merged its operations with Birds Eye, took fourth place with "Viennetta." McCain's big oven-ready chips came seventh, with Birds Eye's Chicken Supreme 12th. Findus cod steaks came 13th and Matthews Norfolk Farms "crispy crumb turkey steaks" 18th.

Inevitably it is the big companies that tend to do well in polls such as these, but there is no doubt that many smaller brands launched by the 300 or so mainly small frozen food producers are achieving similar levels of popularity among grocery trade buyers and consumers alike.

As Mr Alf Carr, secretary general of the British Frozen Food Federation, points out: "The phenomenal growth rate for frozen foods during the recession has been achieved by the advent of innovative frozen products researched, developed and marketed by our members."

Birds Eye's success in the Supermarketing poll — the best ever corporate performance in the poll's 12-year history — was due to two main reasons, according to Mr Keith Jacobs, marketing director. "Firstly, market research to track consumer trends and related product opportunities. Secondly, an integrated working system for development, involving focused groups of marketing and technical staffs." he says.

Market research, for example, has shown developments such as the fragmentation of family eating occasions, the developing trends of freezer ownership, size and usage, and the needs of working women. Birds Eye's research also looks at the use of home and kitchen equipment, pin-pointing the trend away from frying to the greater use of the grill and the oven.

"Once product development is under way we spend a great deal of market research to make sure that not only the product itself but the consumer positioning and advertising are right on the button," says Mr Jacobs.

Birds Eye's new product successes have not been without some problems, however. This autumn it has re-launched its ready-prepared meals under the collective name of "Menu Master" instead of marketing them under individual ranges such as "Best of British" or "China Dragon." The aim of this re-positioning — backed by a £2.5m advertising campaign— is to keep a strong brand image in supermarkets' freezer cabinets.

New product development also involves ensuring that product quality remains high, since one of the surest ways of killing a good new product is poor quality. Ross, in particular, has paid great attention to this aspect of its new product programme and this has been recognised by its winning for the past two years a food industry quality award.

Ross products have come first and second for both years in these awards in competition with more than 70 other products. Its winners were "Golden Oven Cod Fillets" and "Jacket Scollops."

Ross's success has been helped by a £10m investment over the past five years in modern production plant, including the development of Europe's most modern pizza factory.

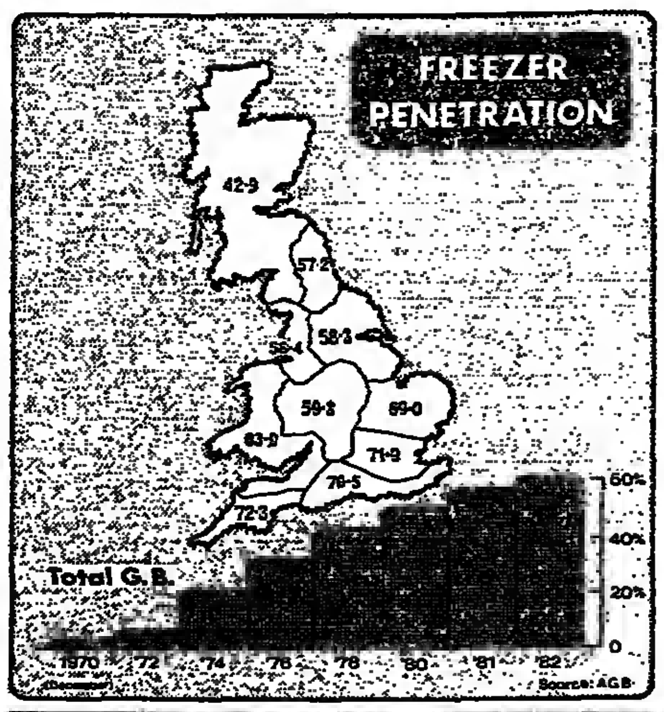
It is not only the large concerns that have won awards for new product development. Frozen Quality, a company set up in 1969 to market the output of several farming groups, has just won the Sir James Barker Trophy for agricultural marketing. It is the first time this award has been won by a frozen food company.

Among Frozen Quality's successes was the development of stir-fry vegetables. It now supplies many of the major retailers including Marks and Spencer, with own-label products.

TOP SIX FROZEN FOOD PRODUCTS
(launched 1977-82)

Product	Volume (000 tons)	Sterling (£m)
Oven chips	40	29
Sausages	23	34
Pizza	19	47
Potato products	21	23
Grillsteaks	8	25
Fish dishes	6	15

During the past six years in the frozen food market only these product groups have achieved sales in excess of 2,000 tons pa.



Fragmentation in the industry has led to the rapid growth of specialist distribution. Above, a Frigoscandia lorry unloads

Sales have dropped 4% in the last year

Fall in discretionary spending hits hard

Catering
LISA WOOD

THE CATERING market is proving more difficult for the manufacturers of frozen food—in sharp contrast to the still buoyant retail sales picture.

Findus announced in July that it was closing its catering activities in order to concentrate on prepared frozen foods for the retail market. Other companies have re-structured activities in an industry which has always been highly competitive.

The recession has hit the industry disproportionately hard because of its dependence on discretionary spending. Less is likely to be spent on eating out at a time of general belt-tightening. Unemployment, and public expenditure cuts have also played an important part, too.

Redundancies

Industrial catering, for example, has been affected by redundancies, while institutions such as hospitals and schools have also had to economise. The net effect has been a fall in sales of 4 per cent over the last year to £228m in the catering sector. Overall sales to consumers rose 15 per cent to £1,152bn.

There has, however, been growth in some areas of catering which are important users of frozen foods. Pubs, for instance, have devoted extra effort to providing bar meals to counteract a fall in beer sales, while fast food outlets have continued to grow in numbers despite the recession. Both these are major users, or are forecast to show strong growth in consumtpion of frozen foods.

The industry has two main market sectors: the cost, or non-commercial, sector and the profit, or commercial, sector.

Hospitals, schools and industrial catering falls within the first category and here growth is expected to continue to be limited, even when there are firmer signs of an end to recession. Within the sector—which accounts for one quarter of expenditure and one third of volume of consumption of frozen foods in the catering industry—some areas of stronger growth do exist. These include, for example, cash cafeterias in schools.

The commercial sector of the market—static for the last few years with the exception of fast food outlets—is by contrast expected to show long term growth.

Suppliers to this section of the market point to the long term trend for more people to eat out, as has happened in the U.S. This sector accounts for three quarters of expenditure on frozen foods in the catering industry and two thirds by volume.

Suppliers point out that while most chefs in restaurants prefer to deal in fresh foods, many rely on frozen foods as ingredients, entrées or sweets.

The challenge, the suppliers realise, is to provide these caterers with the quality of ingredients they want and to give them ideas for food presentation.

Prepared food

Findus, for example, is concentrating its efforts now on developing this added value prepared frozen food. It previously supplied the catering industry indirectly through the wholesale trade.

Frozen chips and frozen peas, major foods by volume in the catering industry will not, however, be ignored. Here, there is evidence of increased demand from consumers for improved quality, with less emphasis on price.

Specialist companies enjoying rapid growth

Distribution
DAVID CHURCHILL

THE GROWTH of the frozen food industry over the past decade has proceeded in step with the development of cold storage and distribution systems. As the market has increased in sheer volume so distribution has had to keep up through the greater use of computers and other high-efficiency techniques.

Indeed, cold distribution systems now in use are almost unrecognisable from the methods used a decade ago so great has been the progress in this field.

Computers have been introduced into the distribution system in various ways. The most obvious has been in computerised stock control systems to co-ordinate goods handling and to enable one vehicle to make the "drops" to retailers by improved scheduling.

A typical cold store with computerised stock control will have mobile racking and planned stock rotation. It will be able to pick the order in which stocks should be removed so that they are loaded into refrigerated vans in the right sequence.

Tempco International, for example, uses direct transmission from customers' computers to terminals at Tempco locations by means of telephone links. Tempco also uses facsimile transmissions and telex and offers telephone sales direct to retail outlets on behalf of clients.

Frozen food producers are like other food manufacturers in using both their own distribution systems and specialist distribution companies. In-house distribution has advantages, not least in the total control it gives. But there are also heavy overheads to be carried.

Moreover, the fragmentation of the frozen food industry — with many small companies — has led to the rapid growth of specialist distribution.

One of the major operators is Christian Salvesen (Food Services) which has over 34 cold stores and eight transport depots around the country. Most cold stores are used by a variety of customers, but some are operated for individual clients only. Transport is by means of a fleet of over 400 temperature-controlled vehicles.

The company offers manufacturers a comprehensive service, including the collection of goods from the factory, temperature-controlled storage, order picking, and nationwide delivery.

Breakthrough

Frigoscandia, part of the AGA group, is similar to Salvesen in offering a range of services rather than an "off-the shelf" distribution system. It operates six public cold stores, with a total capacity of 25.5m cu ft, in prime locations for collecting temperature-controlled foods and delivering them in major centres of population.

Wincanton, part of the Unigate group, offers distribution by what it calls the "chilled chain" service. This provides for the collection of a single pallet — or a full-load delivery to a customer's destination using a triangle of depots located so that they permit delivery to most parts of Britain within 24 hours.

A growing trend is the use of shared transport. Tempco, for example, with 16m cu ft of storage space in the UK, provides a scheduled High Street distribution on a share-service basis. Salvesen, like Tempco, also offers a shared service to any size of company irrespective of whether it is a retailer, a manufacturer, or a supplier.

It is clear that the distribution sector is responding to greater pressure from retailers. This, together with more careful stock control by manufacturers, means that the whole distribution chain is becoming more rapidly responsive to consumer demand.

Innovation is increasingly important. One company has developed a trailer which can carry chilled products in one direction and dry goods in the other. This development represents something of a design breakthrough in transporting both chilled and dry goods in the same vehicles, and is proving especially useful for deliveries to and from the Continent.

FROZEN FOODS IV

David Churchill examines the fortunes of the five major sectors

Meat products

MEAT PRODUCTS were among the slow starters in the frozen food market growth of the 1970s, but are making up for it now. Over the past two years, volume sales of meat products grew by 14 per cent in 1981 and 25 per cent last year.

This year, sales are already some 11 per cent up in volume terms, compared with an overall market growth of about 4 per cent.

The increase in sales of frozen meat products is perhaps surprising, since fresh meat is widely available. One view is that the unwillingness of butchers to over-stock fresh meat, especially towards the end of the week, causes shortages and thus compels consumers to buy frozen products.

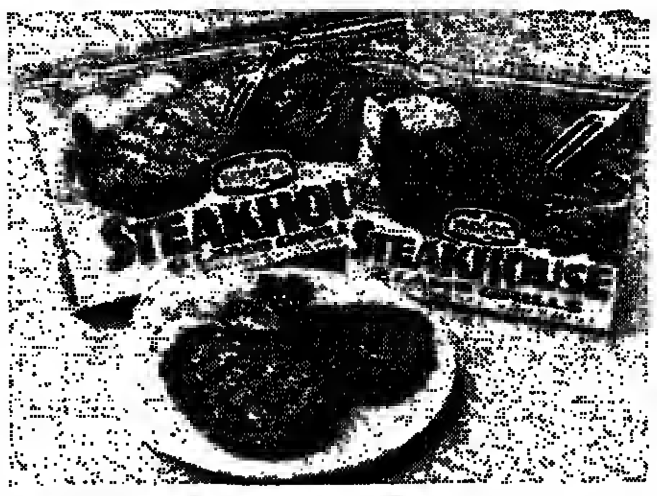
The biggest-selling meat product is frozen chicken, but it is among the red meat products that most added value growth has been achieved. Beefburgers are by far the largest single sector, being helped by the increasing promotion of fast foods.

Significant growth has also been achieved in grill steaks which fit in between beefburgers and traditional fresh steak. They appeal to consumers because they are bigger and better than the usual burger but cheaper and more convenient than fresh steak.

Frozen sausages is another growth sector, with sales last year up by some 25 per cent in volume to reach £23m in value. Frozen meat pies have also grown 22 per cent in volume over the past year. Such expansion is due to ever-increasing home freezer ownership, more retail space for meat products, and what the British Nutrition Foundation described last year as "the trend towards less organised family meals."

New product development is now especially active. The Wall's Meat Company, for example, this month introduced frozen bacon steaks in either a parsley or a mushroom sauce. Although it is on test only in the Yorkshire Television area at present Wall's is confident of this product's long-term success. It is backing the launch with an advertising expenditure of some £1.75m (at the equivalent national rate).

"We've shown what can be achieved in sales of frozen meat products with our range of frozen sausages and pies over the past two years," says Mr Ian Melrose, Wall's marketing and sales director. Mr Melrose has become a well-known face through presenting many of his company's commercials himself on TV am.



Steakhouse grills came second in a poll among the grocery trade by the magazine Supermarketing to find the best new products of the year. Birds Eye's Oven Crispies came top.

Ice cream

THE LONG HOT summer was exactly wbat the ice cream industry neoded to boost sales, although trade figures for 1982 sbowed that even without sunshine ice cream sales could be increased through product devolopment.

Ice cream sales in 1982 were worth some £385m—compared with £360m in 1981—while volume sales increased by 3.5 per cent to reach 292m litres. This was the biggest ice cream consumption for four years.

The UK market for ice cream cover three sectors: confectionery sucb as traditional conos, wafers, choc lces and ice lollies; grocery ltems, including bulk packs; and a brood range of products for use by caterers and fast-food operators in the leisure market.

The traditional ice cream bas been hit by the decline in the number of small outlets which have sold the bulk of small "hand-held" products. The number of confectioners, tobacconists, and newsagents selling ice cream fell from 35,000 at the beginning of the 1970s to 30,000 last year and is forecast to slip to 28,000 by the mid 1980s.

Sales through supermarkets and freezer centres, bowevor, have continued to grow rapidly. Last year these sales totalled £113m and represented nearly e third of all ice cream sold in Britain. Most of th'ɇ business was in bulk pecks or multi-packs of hand-held products for eating at bome.

Ice cream prices increased, on overage, by some 4 per cent in 1982 compared with rises of nearly 8 per cent for food products as a whole. Consumers have benefited from small rises in products as a whole. Consumers have benefited from small rises in ice cream prices over the past decade, and although tho overall inflation has gone up fourfold over the past ten years ice cream prices have only doubled.

To avoid depending on warm weathor to boost sales, the manufacturers beve concentrated in recent years on premium products bought as e dessert or snack. Wall's "Viennetta" is an example of such an "all weather" product. It proved such a big hit when launched last year that it bas even ontsold some vanilla brands.

But Mr Noll Ashley, Wall's general marketing manager, warns the trade against overconfidence. "We may have seen the ice cream market recover e little last year, but basically it remains in recession along with so many other industries at the moment," he says.

Part of the Ross range

Fish

FROZEN FISH sales this year have remained almost static after two years of relatively healthy growth in this major sector of the market.

Volume sales in 1981 were some 12 per cent higher than in 1980, while last year the growth rate was at least 9 per cent in volume terms. Growth occurred in all product areas last year with the exeeption of natural steaks, which declined by about 5 per cent in volume terms.

The main reason for increased fish sales in recent years has been energetic new product development and marketing as well as a price advantage over other protein foods.

Upmarket

The frozen fish market covers broadly into two sectors: up-market, added-value products; and the basic commodity sales where price is all-important. The major brands have about 46 per cent of sales, with own-label fish products accounting for some 31.5 per cent. The balance is with smaller branded fish products.

At the lower end of the market price competition centres on fish fingers, with most of the major supermarket chains selling on their own-label fish fingers as loss leaders. The main problem for producers and retailers in these highly competitive areas is in maintaining continuity and quality of supply at the right price in an often volatile market.

In the up-market, added-value sector the major breakthrough has come from the development of production methods enabling fish to be cooked in the oven instead of fried.

Young's, which has been making fish products for over 175 years, is well-known for its specialist items. Among its current range are prawns, scampi, scallops, and smoked fish. It also makes lobster and brand patés, salmon with capers and soups such as lobster bisque and cream of scampi.

In spite of the market size, however, there are many consumers who have never tried frozen fish. Two-thirds of consumers in e recent survoy bad never bought battered fish or fish in breadcrumbs. This suggests that there is wide scope for further expansion if prices remain steady and good quality new products continue to be developed.

Cakes and desserts

FROZEN CAKES and desserts have shown a dramatic sales growth over the past decade—from £17m in value terms in 1972 to £105m last year. Total volume has more than doubled since 1972 as a result of continuous innovation backed by sustained advertising.

Growth so far this year is running at about 8 per cent by volume, ebout twice the average growth rate for frozen foods.

The thickest slice of the market is in cakes. Although the overall cake market has shown some decline, sales of frozen cakes have risen by an average of 20 per cent a year for the past three years.

This market is divided into three fairly equal slices: sponges, gateaux, and individnal cakes. The market is highly fragmented, with many specialist manufacturers making similar products. They include Birds Eye, Sara Lee, Heinzel, Marks and Spencer, Sainsbury, Lyons, Fleur de Lys, Marietta, and a host of smaller brands. Birds Eye claims overall leadership, with some 27 per cent of the market.

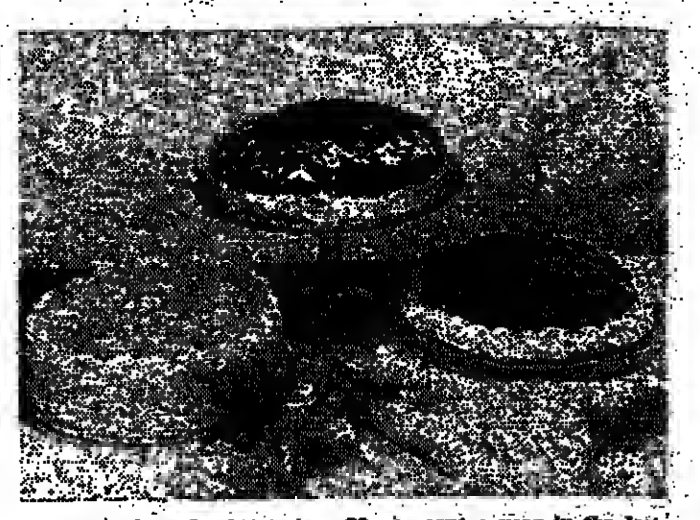
Birds Eye dairy cream sponge alone has 13 per cent of the total frozen cakes market and ontsells the entire range of every other brand. This product was first introduced in 1959 (at a retail price of 1s 6d) and 24 years later is still selling et a rate of over 8m sponges a year.

The frozen desserts market is highly fragmented. It inclndes chilled products such as yogurts, mousses, traditional tub desserts, and ice cream rolls or cakes. Mousse is by far the biggest seller within the desserts market

Traditional tub desserts, after showing some decline in the late 1970s, are now growing again. They inclnde such products as individual trifles, melbas, tub cheesecake, and puddings.

Sales of ice cream rolls—for example, Birds Eye's "Arctic" range — have grown over the past year with the aid of beavy advertising. Birds Eye bas also launched an extra-long Arctic roll and has encouraged consumers to eat it as a snack.

Tha frozen pastry market has also begun to expand again after a flat period in the 1970s. It has been belped by innovations such as puff pastry sheets which are ready to cook in 10 minutes.



Frozen cake sales have risen 20 per cent a year in the last three years. Above, three recent additions to the Ross range

Vegetables

VEGETABLES are by far the largest single frozen food product group in volume terms, but not by value. Although treated very much as a commodity line by some sectors of tho industry, frozen vegetable sales have increased sharply over the past two years—by 19 per cent in voluma in 1981 and 16 per cent last year.

However, the poor weathor earlier this year has hampered growth. Both the pea and potato crops were affected by poor weather conditions and both crops fell significantly short of the anticipated barvest levels.

Peas, which account for more than 50 per cent of the UK frozen green vegetable market, were down on yield targets by about 10 per cent. This will almost certainly lead to the first rise in vegotable prices for more than 12 months.

At the same time, the sharp escalation of potato prices will bave an increasing effect on the industry's raw material costs for chips and other potato products.

Potato chips have been one of the main success stories of the vegetable market in recent years following the innovation by McCain in producing oven chips—baked rather than fried. Earlier this year McCain's also launched a further development by introducing long thin oven-ready fries—similar to those sold in fast food chains—under the name "Stringfellows."

According to the just-pnblished Scotfresh review of the market, peas and chips together account for some 65 per cent of the frozen vegetable market. It points out that within the remaining sectors mixed vegetables, ranging from stew packs to ratatouille are also showing significant growth.

Mixed vegetable packs now account for some 6 per cent of total vegetable volume, while others have a 11 per cent volume share.

Potato chips have been one of the main success stories of the vegetable market since McCain's introduction of oven ready chips

THE ARTS

Music

LONDON

London Philharmonic Orchestra conducted by Sir Georg Solti with Anne-Sophie Mutter, violin. Beethoven. Royal Festival Hall (Thur)

London Philharmonic Orchestra conducted by Vernon Handley with John McCabe, piano. Bax, McCabe and Simpson. Royal Festival Hall (928 3191)

Royal Choral Society and London Mozart Players conducted by Meredith Davies with Cristina Ortiz, piano. Mozart. Royal Festival Hall (Tue)

City of London Sinfonia conducted by Richard Hickox with Salman Shukur, oud. Mozart, Haydn, the first British performance of Paul Patterson's Sinfonia and the first performance of John Haywood's Concerto for oud and orchestra. Queen Elizabeth Hall (Tue). (928 3191)

Royal Philharmonic Society and The Hague Philharmonic Orchestra conducted by Hans Vonk with Dmitri Alexeev, piano. Beethoven and Brückner. Royal Festival Hall (Wed)

English Chamber Orchestra and Tallis Chamber Choir conducted by Nicholas Kraemer with Felicity Lott, soprano, Margaret Cable, alto, Robert Tear, tenor and Malcolm King, bass. Handel's Messiah. Barbican Hall (638 8891).

Royal Philharmonic Orchestra conducted by Yuri Temirkanov with Cécile Ousset, piano. Berlioz, Rachmaninov and Dvorak. Royal Festival Hall (Thur)

City of London Choir and London Bach Orchestra conducted by Donald Cashmore. Bach and Vivaldi. Queen Elizabeth Hall (Thur)

PARIS

Miguel Angel Estrella recital: Bach, Beethoven, Ravel, Liszt (Mon) Salle Pleyel (5638873)

Bruno Rigutto, Piano: Haydn, Chopin, Schumann, Ravel. (Mon) TMP-Châtelet (2334444)

Vivaldi concert (Tue). Opéra-Comique Salle Favart (2960611)

Ensemble Orchestral de Paris conducted by Yan-Pascal Tortelier, Mari Fujiwara, cello, Michel Becquet, trombone: Mozart, Haydn, Constant, Brahms (Tue) Gaveau (5632030)

Jerusalem's Symphony Orchestra (Tue). Théâtre des Champs Elysées (7234777)

I Nuovi Virtuosi di Roma with Patrice Fontanarosa, violin (6.30pm Tue, Wed, Thur). Théâtre de la Ville (2742277)

Het Brabants Orkest conducted by A. Vandernoot, Soloist Malcolm Frager, Beethoven's piano concerto no 4 (Wed); soloist Daniel Wayenberg: Beethoven's piano Concerto no 3 (Thur) Gaveau (5632030)

NEW YORK

New York Philharmonic (Avery Fisher Hall): Klaus Tennstedt conducting, Bruno Leonardo Gelber piano. Brückner, Mozart (Tue); Klaus Tennstedt conducting, Philip Myers horn. Mozart, Brückner (Thur). Lincoln Center (874 2424)

Carnegie Hall: Warsaw Philharmonic. Kazimierz Kord conducting, Claudio Arrau piano. Szabelski, Chopin, Stokowski (Wed); Ani Kavafian, violin, Ida Kavafian, violin/viola. Duo recital of works by Mozart, Moszkowski, Prokofiev, Takemitsu, de Sarasate (Thur). (247 7459)

Opera and Ballet

LONDON

Royal Opera, Covent Garden: The new Boris Godunov represents a triumph for the conductor, Claudio Abbado, and a success of more mixed kind for the producer, Andrey Tarkovsky; but the cast, led by Robert Lloyd, Gwynne Howell, Aage Haugland, and Mikhail Svetlev, is strong, and the work emerges without longueurs. The revival of Otello brings together for the first time Placido Domingo and Colin Davis. Katia Ricciarelli and Piero Cappuccilli are the other principals (240 1066)

English National Opera, Coliseum: The new Valkyrie is an uneven achievement, at best theatrically striking, at worst obscure in its visual detail and clumsy in its action. Linda Esther Gray as Brunnhilde, Josephine Barstow as Sieglinde, and Alberto Remedios as Siegmund are the strengths of the evening. The new production of The Rape of Lucretia continues the experiment with Britten's chamber operas in this huge theatre; The Tales of Hoffmann is one of ENO's perennial successes (836 3161)

Royal Opera House, Covent Garden: Manon, Nureyev in his own The Tempest and a triple bill including Ashton's Varii Capricci (240 1066)

PARIS

Mauricio Kagel: A musical epic about the Devil. Théâtre de Chaillot, Salle Gemier (7276115)

Trisha Brown: Choreography Trisha Brown: Son of Gone Fishin, Opal Loop, Set and Reset, Théâtre de Paris (2800930)

Madame Butterfly conducted by Alain Lombard in a Teatro Communale de Florence production with Raina Kabaivanska in the traditional version alternates with Glazunov's ballet Raymonda in a new production, Rudolf Nureyev's choreography reinterpreting Marius Petipa. Decor and costumes by Nicholas Georgiadis, conducted by Michel Sasson/Michel Queval at the Paris Opera (2665022)

Viva Offenbach conducted by John Burdekin, produced by Robert Dhery at the Opéra Comique (2960611)

Balanchine classics

The New York City Ballet starts its winter season with a gala benefit featuring three Balanchine classics, including the only seasonal performance of Apollo and the last appearance in the work by Peter Martins. Celebrating the company's return from a successful European tour, the season will revive two major Balanchine works, Jewels and Harlequinade, along with Jerome Robbins's The Goldberg Variations, Piano Pieces, The Concert and In G Major. The 79th New York season, with the traditional month of The Nutcracker in December, will include a premiere of a Peter Martins work with a Schubert score before ending on February 19, 1984. New York State Theater, Lincoln Center (870 5570).

NEW YORK

Metropolitan Opera (Opera House): The eighth week of the centenary season features this week Don Giovanni with James Morris in the title role, with Edda Moser as Donna Anna, conducted by Jeffrey Tate, along with La Bohème, La Traviata and Peter Grimes. Lincoln Center (580 9830)

New York City Opera (New York State Theater): The last week of the season includes Pecheurs de Perles, Merry Widow, Madam Butterfly, and Carmen. Lincoln Center (870 5570)

WASHINGTON

Washington Opera (Opera House): The co-production of Cosi fan tutte with the Orchestre de Paris is conducted by Daniel Barenboim with Julia Varady as Fiordiligi, Katherine Ciesinski as Dorabella, Janet Perry as Despina and David Kuebler as Ferrando directed by Jean-Pierre Ponnelle. Rigoletto, conducted by Cal Stewart Kellogg, features Elizabeth Knighton as Gilda, Victoria Vergara as Maddalena and Denes Gulyas as the Duke of Mantua. Kennedy Center (254 3770)

HOLLAND

Nederlandse Operastichting: Die Lustigen Weiber von Windsor, sung in German and conducted by Bruce Ferden. Amsterdam (Mon). Idomeneo, sung in Italian and conducted by Kees Bakels. Utrecht (Tue)

WEST GERMANY

Berlin Deutsche Oper: Don Giovanni, sung in Italian, with Pilar Lorengar in the leading role. Die Meistersinger von Nürnberg has Siegfried Jerusalem making his debut as Walther von Stolzing and Anne Häggander as Eva. La Bohème brings together Annabelle Bernard and Franco Tagliavini. Salome, a Wieland Wagner production, has Karan Armstrong in the title role.

Hamburg, Staatsoper: Der Fliegende Holländer and Parsifal are offered this week. The latter has Wagner specialists Rene Kollo in the title role, Kurt Moll as Gurnemanz and Leonie Rysanek, famous for her rendition of Kundry. There is much acclaim for Alexander Zemlinsky's Der Kreidekreis.

Frankfurt, Opera: Cav and Pag features Daniza Mastilovic and Ladislaus Konya in the leading parts. Der Türke in Italien has fine interpretations by Paula Page as Fiorella and Dieter Weller as Geronio. Leos Janacek's Jenufa has Helena Doese making her debut in the title role. Parsifal, given for the first time this season, is an ultra-modern production by East German producer Ruth Berghaus. Walter Raffeiner is taking over the title role. Pariser Leben is a well done repertoire performance.

Stuttgart, Württembergisches Staatstheater: Troubadour, sung in Italian, has Eva Randova and Adalbert Kraus. Also Zar und Zimmermann as well as Figaro's Hochzeit featuring Roland Bracht and Maria Husmann.

Munich, Bayerische Staatsoper: The 20th anniversary of Munich's reopening of the National Theatre is marked by Die Meistersinger von Nürnberg with Lucia Popp, Bernd Weikl and Peter Schreier. Manon Lescaut is perfectly cast with Anna Tomowa-Sintow and Bodo Brinkmann in the leading roles.

Exhibitions

LONDON

The National Gallery, Manet at Work: this year falls the centenary of Manet's death, which now, in the knowledge of the great old age achieved by his Impressionist contemporaries, whom he influenced so positively, seems so sadly premature. The great retrospective in Paris this summer clarified the nature and significance of his achievement. Here the National Gallery does not give us anything so comprehensive, but takes eight major works across the range of his career, and by simple scholarly exposition, shows us how he set about his business.

The Royal Academy: Art of the Avant Garde in Russia 1910-30: a selection amounting to some 300 works from the astonishing collection formed since the War by George Costakis, sometime official in the Canadian Embassy to Moscow. The Russian artists in the years before and after the Revolution were as stimulated by the ideas and events of that time as their fellow-intellectuals and consequently denounced as dissident when Stalin decided they were too dangerously free and should be suppressed. One wonders how many more works are still under lock and key. Ends Nov 13

PARIS

Musée de Cluny, 6 Place Paul-Painlevé: this museum, built originally by the Abbots of Cluny, now houses medieval works of art, including goldsmiths' work, carved altar pieces, ivories, fabrics, and Limoges enamels. Also a set of the Lady and the Unicorn mille-fleurs tapestries – an allegory of the five senses. Closed Tuesday, and every lunchtime

Cycladic Art from the N. and D. Goulandris Collection – more than 200 remarkable items dating from the third century B.C. are being shown at the Grand Palais before returning – definitely – to Athens. Grand Palais (ends Jan 9 1984): Closed Tue, Wed late closing night 10 pm (2615410)

Turner (1775-1851) – the exhibition traces the creative development of the artist who, although steeped in the great landscape-painters' tradition of the 18th century, becomes – through his fascination with the effects of light – one of the forerunners of abstract art. Grand Palais (Oct 15-Jan 16). Closed Tue (2615410)

Liège Modern Art Museum has lent its collection of choice items – one of Monet's first paintings and one of Gauguin's last. Also a surprising, Blue-period Picasso – to the Centre de la Communauté Française de Belgique. (Tel: 2712616), 11am-6pm, closed Mon. Ends Jan 6

The Land of Baal and Astarte. Ten thousand years of Syria's artistic development. Petit Palais (2651273). Ends Jan 8, 10am to 5.40pm. Closed Mondays

Balthus: 50 paintings and as many drawings are shown in the secretive painter's first retrospective in collaboration with the Metropolitan Museum. The accent is on his work in the thirties. Centre Georges Pompidou. Ends Jan 23, closed Tue (2771233)

NEW YORK

Metropolitan Museum of Art: 75 works from the 20th century collection of Baron Thyssen-Bornemisza will include 10 of his latest acquisitions. Featured in the show will be works by Kandinsky, Picasso, Gris, Dali, Bacon, Freud and Rothko. The recent acquisitions are works by Georgia O'Keeffe, Balthus, Mondrian, Picasso and Natalia Goncharova. Ends Nov 27

Castor Sculpture Centre: Set against a spectacular view of New York atop the World Trade Tower, 35 Rodin sculptures are displayed in the enlargements and reductions carried out by Rodin collaborator and reproducer Henri Lebosse. One World Trade Center, 105th storey

Manet (Metropolitan Museum of Art): Almost 200 important paintings marking the 100th anniversary of the artist's death are included in the most comprehensive Manet exhibition for nearly a century. Ends Nov 27

WASHINGTON

National Gallery: Art of Aztec Mexico combines works confiscated during the Spanish conquest of 1521 with the unearthing in 1978 of the Great Temple of Tenochtitlán, capital of the Aztec empire, in central Mexico City. The most comprehensive Aztec art exhibit ever mounted in America reflects the religion that suffused the Aztec culture, with gods performing sacrifices that had to be repeated by man in order to keep the sun moving across the sky and the cosmos working. Ends Jan 8, 1984

Hirshhorn Museum: Direct Carving in Modern Sculpture is a cleverly assembled show from the museum's own collection of works by Brancusi, Gauguin, Hepworth, Moore, and Noguchi, among others, showing the tactile direct technique as revived in the late nineteenth century and used even today. Ends Nov 27

National Museum of Natural History: The Precious Legacy contains 350 secular and religious Jewish objects the Nazis preserved in Czechoslovakia for a "Museum of an extinct race", covering five centuries of gold, portraits, textiles and other crafts from the collection of the State Jewish Museum in Prague. Ends Dec 31

BRUSSELS

15th Century drawings from Belgian private collections – 100 drawings including Jordaens, Teniers, van Goyen, Tiepolo, Poussin and Fragonard. Société Générale de Banque. Ends Dec 21

WEST GERMANY

Nuremberg, Kunsthalle, 32 Lorenzer Straße 32: a survey of the contemporary arts scene in East Germany documented by more than 200 works by 13 artists. Ends Nov 15

Berlin, Nationalgalerie, 50 Potsdamer Strasse: 180 figurative and abstract wooden, bronze, wire and rolled-steel sculptures by Pablo Picasso. Ends Nov 27

Hanover, Wilhelm Busch Museum, 1 Georgengarten: The first venue of the roving exhibition with 176 etchings and lithographs by George Cruikshank, the British cartoonist. Ends Jan 8

Essen, Museum Folkwang, 41 Goethestrasse: paintings, drawings, water colours and graphics chiefly from the early periods of Erich Heckel (1883 to 1970), the German expressionist painter. Ends Nov 20

Munich, Lenbachhaus, 33 Luisenstrasse: 'Aktuell '83' offers a view of a sizeable part of today's European arts scene through 165 works (mainly paintings, sculptures, video and films) by 44 artists from Milan, Munich, Vienna and Zurich. Ends Nov 20

Berlin, Staatliche Kunsthalle, 44-40 Budapester Straße: The first venue in West Germany of a show comprising 100 paintings, drawings and graphics by Alex Colville, the Canadian realist. Ends Nov 16

Kaiserslautern, Pfalzgalerie, 1 Museumsplatz: "art deco" (Jugendstil in German) is illustrated here through 380 exhibits on loan from a private collection. Among the pieces shown are furniture, ceramics, glass and pewter. Ends Nov 20

Kassel, Museum Fridericianum, Friedrichsplatz: "germination II" has works by 90 fine arts students from Britain, France and West Germany. Ends Nov 20

Stuttgart, Galerie der Stadt, 2 Schlossplatz: roughly 50 – rarely shown – landscapes painted in oil, water colour, or drawn by Oskar Schlemmer (1888 to 1943), the Bauhaus teacher. Ends Nov 27

Bonn: Rheinisches Landesmuseum: The most comprehensive exhibition of contemporary U.S. art ever shown in West Germany. It features works from the 1970s and 1980s by nearly 50 artists representing such styles as pattern and decoration, new image, new wave, new expressionism and graffiti. Ends Jan 15

ITALY

Milan: At the Chiesa delle Grazie there are 106 pre-Raphaelite and Neogothic paintings for church windows.

Venice: Palazzo Ducale, 7000 years of China exhibition. Ends Dec 31. Museo Correr: Titian's engravings on show. Palazzo delle Prigioni: exhibition of works by Massimo Campigli.

Venice: Palazzo Ducale, 7000 Years of Chinese Art. Ends Dec 31. Palazzo Grassi, exhibition of paintings by Filippo de Pisis. Ends Nov 20

Milan: Exhibition of Leonardo's drawings for the Last Supper; the exhibition includes 20 preparatory sketches, which are shown in the same room as the fresco in the Church of Santa Maria delle Grazie. Open till Nov 27, sponsored by Olivetti, who are financing the restoration of the fresco.

Arts Week

F	S	Su	M	Tu	W	Th
11	12	13	14	15	16	17

Theatre

LONDON

The Tempest (Barbican): Derek Jacobi takes a short respite from his recent triumph as Cyrano to add last summer's Stratford Prospero to the RSC London programme. A younger magus than is usual, he gives a performance that is technically accomplished and imaginatively adventurous. An entertaining production. (628 8795)

The Real Thing (Strand): Susan Penhaligon and Paul Shelley now take the leads in Tom Stoppard's fascinating, complex, slightly flawed new play. Peter Wood's production strikes a happy note of serious levity. (836 2660/4143)

Daisy Pulls It Off (Globe): Enjoyable romp derived from the world of Angela Brazil novels: gym slips, hockey sticks, a clifftop rescue, stout moral conclusion and a rousing school hymn. Spiffing if you're in that sort of mood. (437 1592)

Noises Off (Savoy): The funniest play for years in London, now with an improved third act and a top-class replacement cast. Michael Blakemore's brilliant direction of backstage shenanigans on tour with a third-rate farce is a key factor. (836 8888)

Glengarry Glen Ross (Cottesloe): One of America's best playwrights, David Mamet, has a startling world premiere at the National Theatre in this superb Bill Bryden production of life among real estate salesmen. The language rocks and rolls through idiomatic salespeak with many a glancing reference to post-Nixon break-in paranoia (928 2252)

The Cherry Orchard (Haymarket): Scenically dull but very well acted production by Lindsay Anderson of Chekhov's masterpiece. Joan Plowright is an edgy, skittish Ranevskaya and Leslie Phillips, an accomplished light comedian, a revelation as her pathetic brother. Wonderful support from Frank Finlay, Bill Fraser, Frank Grimes and Joanna David (930 9832)

Hay Fever (Queen's): Penelope Keith continues her reign as the iron maiden of British showbusiness. Well-dressed and marcel-waved, she plays Judith Bliss in Coward's great comedy, presiding over charades and confusion in a Thames-side country house. (734 1166)

Little Shop of Horrors (Comedy): Tawdry, camp musical based on a 1960 Roger Corman B-movie about a man-eating plant which revives the fortunes of a Skid Row flower shop. The 1950s pastiche is a bit wan, but the lyrics sharp. The plant grows from cactus-like vulva to piscatorial, blues-singing peach. Ellen Greene repeats her off-Broadway performance which is something like Fenella Fielding only blonde and way over the top (930 2578)

A Moon for the Misbegotten (Mermaid): Frances de la Tour and Ian Bannen are quite superb, especially in the last confessional hour of O'Neill's powerfully banal last play. Last chance to catch one of the year's London highlights (236 5568)

NEW YORK

La Cage aux Folles (Palace): Perhaps this season's outstanding musical comes, like Evita and Cats before it, at the very beginning of the theatrical year. Despite stellar names such as Harvey Fierstein writing the book and Jerry Herman the music, the best parts of the show are not the hoopla, apart from the first-act finale a la Gaité Parisienne, but the intimate moments borrowed direct from the film. (757 2626)

42nd Street (Majestic): An immodest celebration of the heyday of Broadway in the '30s incorporates gems from the original film like Shuffle Off To Buffalo with the appropriately brash and leggy hoofing by a large chorus line. (977 9020)

Torch Song Trilogy (Helen Hayes): Harvey Fierstein's ebullient and touching story of a drag queen from backstage to loneliness incorporates all the wit histrionics in between, down to the confrontation with his doting Jewish mother. (944 9450)

Dreamgirls (Imperial): Michael Bennett's latest musical has now become a stalwart Broadway presence despite the forced effort to recreate the career of a 1960s female pop group, a la Supremes, without the quality of their music. (239 6200)

Brighton Beach Memoirs (Neil Simon): If he wasn't sure before, playwright Neil Simon can expect a long run of his funny as well as touching childhood reminiscence now that the Nederlander organization generously decided to name the theatre after this country's outstanding box office draw. (757 8646)

A Chorus Line (Shubert): The longest-running musical ever in America has not only supported Joseph Papp's Public Theater for eight years but also updated the musical genre with its backstage story in which songs are used as auditions rather than emotions. (239 6200)

CHICAGO

E. R. (Forum): Moving into its second year parodying melodrama in a hospital setting, this emergency room continues its adventures among a young doctor, a receptionist and an authoritarian nurse. (496 3000)

WASHINGTON

Noises Off (Eisenhower): Dorothy Loudon stars in Michael Frayn's comedy about the provincial run of a slapstick farce with lots of antics for a company that includes Brian Murray, Paxton Whitehead and Victor Garber. Ends Nov 27. (254 3670).

Beyond Therapy (Kreeger): Christopher Durang's romantic comedy has all the elements of modern singles life including meeting through the personal's column of a newspaper and a scene in a hip restaurant, but it reflects more than explores the shallowness of a surfeit of choices. Arena Stage (488 3300)

Cinema/Nigel Andrews

The filmgoer's A to Z

London Film Festival
Monkey Grip, directed by Ken Cameron
Bloody Kids, directed by Stephen Frears


Noni Hazlehurst and Colin Friels in "Monkey Grip"

The London Film Festival, beginning next Thursday, is the only film festival in the world where you can watch movies while being run over by heavy traffic. For the festival's venue, the National Film Theatre, crouches luxuriously under Waterloo Bridge, and acoustical life in the main auditorium used to be punctuated with the sound of articulated lorries rumbling overhead.

Those, of course, were the bad, ill-soundproofed days. This year the only noise likely to disturb your concentration in NFT1 will be that of assistant programmer Adrian Turner throwing himself off Waterloo Bridge: which he has promised to do if the festival unveils any film better than Hitchcock's *Vertigo*, showing in a special and sumptuous five-movie Hitchcock tribute. Since *Vertigo* (soon to go on general re-release), recently featured in my own and several others' Ten Best Films of All Time for a Sight and Sound poll, Mr Turner is at present on safe ground; though in a quality-packed festival like this year's anything is possible.

The Hitchcock quintet, the suspense maestro's five "lost" films from the 1950s, are the tip of the crown at this year's LFF. As ever the 18-day event is thickly encrusted with movies—over 100 features, dozens of shorts and animation films—and all I can do to assist is to point out some specially commendable or (if I haven't seen them yet) specially promising highlights.

A is for *All About Mankiewicz* and *All The King's Men*, the first joyous talk-a-thon between French critic Michel Ciment and Hollywood director Joseph Mankiewicz (of *All About Eve*), the second the new costume epic from Hong Kong maestro King Hu (of *A Touch of Zen*). B is for *The Ballad of Narayama*, Shohei Imamura's eccentric but lively Cannes Golden Palm winner, plus D. W. Griffith's *Broken Blossoms*, one of this year's two Lillian Gish-starring silent films being given the Carl Davis massed orchestra treatment. (The other is Victor Seastrom's *The Wind*).

C is for Ermanno Olmi's wonderful *Camminacammina*, which retells the Journey of the Magi in peasant Italian setting, with teasing slowness but rich wisdom and comedy. D, E, F and G need not detain us, but H is for Frank Beyer's *Held For Questioning*, a surreal and quirkily claustrophobic East German prison drama, where drowning in a cellarful of chopped cabbage is a more frightening threat than the traditional beatings and hot wires, and for Jonathan Kaplan's *Heart Like A Wheel* (yet unseen by me), a much-praised biopic of racing driver Shirley Muldowney.

Accelerating swiftly past J and K, please brake appreciatively for L for *Lianna*, where writer-director John Sayles (of *Return of the Secaucus 7*) sketches a taut and tender lesbian romance on a New Jersey campus. M, N, O, P and Q are full of picturesque odds and ends rather than must-be-seen splendours (though Robert Wynne Simmon's *The Outcasts*, a tale of magic in old Ireland, is worth an admiring glance). And R is for *Rumble Fish*, an unknown quantity which will be swimming across the Atlantic to join the festival, the latest product of Francis F. Coppola's currently hiccupy career.

S is for the superb *A Season In Hakkari* from Turkey, Erden Kiral's windblown, painterly tale of a teacher drafted to a snowcapped mountain village, and for South-East Asia, which this year has sent an almighty armada of movies to the LFF. The flagship is Xie Jin's *Legend of Tianyun Mountain*, which transforms a melodramatic tale of love and self-criticism in China into a film of fine pulse and lyricism.

T is for *Toute Une Nuit*, Chantal Akerman's brilliant impressionistic collage of private lives at night, and also for Television, honoured this year by a series of seminars and symposia (admission free) and by a goodly clutch of new British TV-made movies. The latter include Jack Gold's *Good and Bad at Games*, John Schlesinger's *An Englishman Abroad*, Mike Leigh's *Meantime*, Desmond Davis's *The Country Girls* and Stephen Frear's *Saigon—Year of the Cat*.

U is for *Under Fire*, Roger Spottiswoode's vigorous new Nicaraguan war thriller, and it's also for Uncontrollable, such being the quantity of films unreeling once again in this South Bank seeing marathon. As in previous years, one is moved to cry, "Wouldn't fewer films and more screenings of the very good ones be a saner policy?" Daniel Schmid's *Hecate* and Miguel Littin's *Alsino and the Condor* are but two of the copper-bottomed clinkers taking up valuable screening time.

W, however, is for Wlaschin, Ken, Nebraska-born festival head, who bestrides this intestinal chaos like a Colossus. Though the LFF is not strong on structure, despite token sections and groupings such as "Controversy" and "Third World," under Wlaschin's 14-year regime it has had the priceless merit of rarely letting a major film from the preceding year's festival circuit through its grasp. Wlaschin leaves the directorship of the festival, and of the National Film Theatre, in the new year to become commander of the Los Angeles "Filmex," Southern California's answer to the LFF. His bearded bulk and bottomless bonhomie will be much missed. And any new brooms who come in to sweep clean should ensure that they do not substitute empty neatness for the bristling (but well marshalled) pandemonium that has been the London festival since 1970.

X, Y and Z are for you to find in your own fest-going explorations. The dates are November 17 to December 4, and at the time of writing tickets are still available for all the films commended above.

Monkey Grip, directed by Ken Cameron, is a lively example of the neo-Strindbergian cinema lately winging towards us from the Antipodes (cf *Smash Palace*). In a Melbourne inner-city suburb Nora (Noni Hazlehurst) and Java (Colin Friels) tear at each other's emotions while consuming large quantities of drink and/or drugs. She is a divorcée with a little daughter, he is a heroin addict with a big problem.

Hurling itself with much sadness and comedy around Bohemian compass points—flats carpeted with confusion and milk bottles, recording studios stiff with midnight exhaustion (our heroine is a songwriter)—the film takes the golden-lensed tradition of New Australian Cinema and tells the country where to put it. Miss H's voice-off narration sometimes suggests that she has overdosed on heady women's-magazine fiction—"I couldn't live with the dangerous restlessness in his bloodstream." "Now that he was back, all the splinters of my life came together"—but elsewhere this is a film to which you should at once make tracks.

*

Bloody Kids, four years old and already seen on British television, is another tale of displaced persons. To wit, two 11-year-old boys who re-enact a shade too realistically the mayhem they see on the telly and end up sundered by crisis: one boy in hospital with a stab wound, the other fleeing to the purgatorial purlieus of Southend. Vividly written by Stephen Poliakoff, soundly directed by Stephen Frears, worth the revival.

Takacs Quartet/Wigmore Hall

Dominic Gill

The Takacs Quartet from Hungary—by far the finest young string quartet around, and set to be one of the finest anywhere—had a gratifyingly full house for their recital on Wednesday. The Takacs have many remarkable qualities: but most immediately striking is the depth and range of their sonority, from clarion call to whisper — the planissimo especially of a clarity and gradation that few ensembles can match. Their account of Mozart's first "Haydn" quartet (K387 in G) was an exhilarating study in subtly shifting colours: a dappled vision, shot through with quicksilver humour and mysteries, and in the finale, with fierce glinting lights.

Like few quartets too, these days, the Takacs can adapt their sonority exactly to the music. For Debussy's quartet they discovered a radically different timbre, lush and reedy, plangent in the middle registers, whose many layers were as precisely differentiated as organ stops. From the start they established a powerful, but never queasy, ocean swell of *espressivo*, glittering in the second and last movements, of faery delicacy in the little andantine.

They ended with the first of Schumann's three quartets all dating from 1842, the A minor op. 41 No. 1. I cannot imagine defter or more eloquent champions of these fascinating, uneven works. In the difficult opening movement especially they found the music's bounce and resonance, and made it soar. The last two movements, outstandingly the best of the four, chiefly because they are the most obviously fine piano music transferred to the medium of string quartet, were given with marvellous warmth and verve.

A mis-synchronisation on the final page sounded like, and probably was, no more than a moment's overflowing of energy.

Blondel / Old Vic

Michael Coveney

First, the good news. Ed Mirvish's refurbished Old Vic is a pleasure to behold, a credit to the architects (the Renton Howard Wood Levin partnership), and a very agreeable place to spend an evening. The new spacious foyer and the bars on three levels have the cream-painted, unfussy and well-lit atmosphere of the old Biba's.

The stalls, deprived of the cruciform aisle, are fitted with comfortable new seats and plenty of leg room. I'm not too keen on the tasselled decoration of the main circle, but this wonderful house has been magnificently restored to London audiences. Three cheers for Ed Mirvish.

The eagerly awaited new musical *Blondel*, by Tim Rice and Stephen Oliver, is a sprightly enough opening show but suffers from a devastatingly trite, almost non-existent, book. Blondel, impoverished troubador to the court of King Richard, follows his warrior king on the crusades, making a lightning tour of Europe before rescuing him from an Austrian cell and fending off the vile pretender, Prince John, in a stained-glass finale in Westminster Abbey.

Finding favour, Blondel and his backing group, the Blondettes, are presented with a jewel-encrusted lute and a top-of-the-bill treatment on Ye Olde Medieval Troope of Ye Poppies.

The narrative thrust, such as it is, comes from the close harmony quartet of singing monks who sound dispiritingly like the King's Singers after five minutes. And Blondel's less than brilliant career is a source of aggravation for his beloved Fiona. With a cute echo of Andrew Lloyd Webber in "All I Need Are Words," Mr Oliver's busily energetic score pounds along without ever really catching fire.

I admired most the limber, rhythmically shifting love song "The Least of My Troubles," and the best melody, which closes the first-half "Running Back for More," is only spoilt by the monotonously reedy voice of Sharon Lee Hill as Fiona.

Mr Rice displays his customary lyrical agility, mixing anachronistic phrases with several clever point numbers and sly digs at pop song mannerisms. But the already flimsy edifice is in danger of collapsing in the third quarter of the show, the travelogue, which not even Chris Langham's pinstriped, confidential hired assassin can turn to advantage.

Paul Nicholas, ever an attractive performer, plays Blondel with a mixture of winning charm and splendid vocal attack and the royal brothers are in the competent hands of Stephan Tate and David Burt. Tim Goodchild's design of a glass medieval screen opening out to provide catwalks and ecclesiastical windows is effective, if a little cumbersome in the manipulation.

John Cameron's orchestrations find some resonant contrasts between gentle strings and full-blooded tympani. Under Peter James's direction, the evening is a slight, good-natured romp that nonetheless fails to hit the heights.

FINANCIAL TIMES
BRACKEN HOUSE, CANNON STREET, LONDON EC4P 4BY
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Friday November 11 1983

A brainstorm in Brussels

THE European Commission's attempt to revise the method of calculating net national contributions to the Community budget has aggravated the controversy over this long-contentious issue. Mr Christopher Tugendhat, one of the (British) members of the Commission, has gone so far as to accuse his colleagues of trickery and of cooking the books. But the real question is not about the intellectual respectability of the Commission's new arguments, but whether it is guilty of serious political folly.

That there is *some* element of intellectual appeal in the Commission's latest calculations cannot be utterly denied. The basis of the British Government's complaint is, as it has always been, that financial transfers from the UK to the Community budget are much larger than receipts by the UK from the Community budget.

The basis of the new Commission argument is that the benefits of budgetary spending on Community policies are not confined to the disbursements of cash in one country or another: the farmers in all member states benefit from high and stable prices, and they all contribute to structural surpluses, even if these surpluses appear to be concentrated in only a few countries. It is only right, so the argument goes, that the imputed costs of the farm policy should be spread more fairly throughout the Community.

Complications

What gives this argument a certain logical symmetry, is the Commission's parallel proposal that in a reformed system of Community finance, part of the costs of the farm policy should be borne in varying degrees by member states in proportion to their agricultural output.

Unfortunately, the new line of reasoning is more specious than persuasive, for it leads directly into a limitless tangle of complications which could never be satisfactorily resolved. The computation of budgetary contributions and receipts is a narrow measure of costs and benefits, and even it is open to dispute: should export subsidies on farm trade within the Community be treated as receipts by the exporter or by the importer? But at least the narrow calculation gives a readily identifiable basis for negotiation.

Diffuse notions

Once one broadens the debate to more diffuse notions of costs and benefits, it must by definition become uncontrollable. Once one considers the general advantages of the farm policy, one must also consider its equally general disadvantages: British farmers benefit, but British consumers and taxpayers suffer, from high prices. Once one considers general advantages of Community policies, one must consider all the advantages of all policies, starting with free trade in industrial goods: should Scotland be compensated and Holland penalised for their geographic locations?

Whatever may be the intellectual rationalisation of the Commission's new calculations, it is clear that its purpose and its effect are to reduce, by a very large margin, the amount of Britain's excess net contribution to the Community budget. Perhaps M Gaston Thorn, the Commission President, has deluded himself into thinking that it would reduce the problem to negotiable dimensions; it can only make the negotiations more difficult.

For five years the Community has been debating the British problem on the narrow basis of budgetary transfers. To start a new intellectual argument now, less than a month before the Athens summit, can only set the negotiations back.

Moreover, the tactic could seriously backfire: if the Commission seeks to change the basis of negotiation, so say the UK. Until now the British Government has accepted that it should, on political grounds, be a modest net contributor: but if the new criteria were accepted, the UK could refuse to make any net contribution at all, and might thus, for the first time, start to *insist* on that principle of *juste retour* of which the Community has long been rightly apprehensive.

It is too late to re-write the rules. If M Thorn and the other member states were to persist in the attempt, they could do themselves and the Community the gravest possible disservice.

Monopoly in air transport

THE ROAD to privatisation is strewn with unexpected hurdles. No one is more aware of that than the Financial Secretary to the Treasury, Mr John Moore.

Last week Mr Moore sought, in an important speech on privatisation, to emphasise that the sale of public sector assets should march hand in hand with increased competition. Within days Sir Adam Thomson of British Caledonian Airways unkindly suggested that the the government might care to *demonstrate its commitment to* competition by changing the allocation of airline routes between British Airways, one of the biggest privatisation candidates, and the other independent airlines.

Sir Adam's challenge is both apposite and embarrassing for the government. For a start it underlines the existence of a potential conflict between the twin objectives of liberalisation and privatisation. That conflict is particularly striking in the case of both airlines and the British Airports Authority. But it is by no means confined to them alone.

At a more fundamental level the campaign launched by British Caledonian raises questions about the whole shape of aviation policy in the 1980s. And those questions will not be easily resolved in the space of the next 12 months, which casts a further cloud over the prospectus. This must be singularly galling for the management of British Airways, which has painfully wrested BA back to profit and wants to go private as quickly as possible.

Subsidised

As far as British Caledonian is concerned the privatisation of British Airways in its present form would lead to the creation of a powerful private sector monopoly—a monopoly, moreover, which has been heavily subsidised by the taxpayer in order to reduce its debt burden before the sell-off. It therefore proposes that British Caledonian should pay for certain British Airways routes and operate them all from Gatwick while other services, including British Airways' regional operations, should be transferred to those independents wishing to take them on.

No doubt British Airways can attack specific details in the proposal. But it will be harder to deal with the suggestion that a subsidy for British Airways calls for a *quid pro quo* for the independents, or indeed to counter the argument that the balance between BA and the independents is due for review. British Caledonian has played cleverly to a sizeable constituency on the Tory benches which is keen to support the competitive underdog. And by announcing that it will pay to acquire the state airline's routes it has offered a subtle inducement to the Treasury—unless, of course, British Airways can come up with a capital reconstruction that requires little in the way of public funds.

Franchising

At the British Airports Authority the Government faces a similar problem with Tory backbenchers over the form of privatisation. The management is anxious to privatise all the Authority's business en bloc; others would like it done piecemeal.

How far a piecemeal transfer would undermine monopoly is, however, a moot point. The ability of airports to compete with each other depends on location, which in the south-east is highly restricted; airport charges are a fraction of the airlines' overall costs. But there is certainly room for more franchising of airport services. The porters are obvious candidates for treatment.

In the case of both British Airways and the British Airports Authority there is a need to make the regulatory arrangements crystal clear before privatisation. At the authority this may well mean a move towards some rate of return control in addition to the existing approach to pricing landing charges on the *basis of long-run* marginal cost. There will also have to be controls to prevent the restriction of capacity.

What is needed at British Airways is some independent assessment of the extent of its monopoly. In an ideal world the structure and performance of both institutions would be subject to Monopolies Commission investigation before privatisation. But any inclination of the Transport Secretary, Mr Nicholas Ridley, to make haste slowly would probably run into Treasury opposition. In dealing with monopoly power of this kind first-best solutions are rarely available.

ANDROPOV IN THE KREMLIN

The dashing of high hopes

By Anthony Robinson

A CHANGE of leadership in the Kremlin always raises exaggerated hopes and fears of fundamental change in the Soviet Union, and the emergence of Yuri Andropov one year ago was no exception.

But, as an assessment of his first year's performance underlines, it is not easy for a leader to imprint his personal stamp on the vastness of Russia—and certainly not in a hurry.

All the indications are that Mr Andropov came to power determined to tackle vigorously the Soviet Union's deep-seated domestic economic and social problems. But the head of steam built up during his early months in office seems to have been dissipated—partly by the sheer weight of bureaucratic inertia in the Soviet Union, partly by foreign policy preoccupations and, perhaps, above all, because of sheer ill-health.

'Mr Andropov has not been seen in public since mid-August and even missed this week's annual Red Square military march past—a remarkable break with tradition which has intensified concern about his health'

Mr Andropov has not been seen in public since mid-August and even missed this week's annual Red Square military march past—a remarkable break with tradition which has intensified concern about his health and raised speculation about his eventual successor.

It is all a far cry from this time last year when Mr Andropov impressed foreign dignitaries at Mr Brezhnev's funeral and gave the impression of an intellectually sharp and politically sophisticated man in a hurry. The start was faultless. Careful prior manoeuvring on his part led to the smoothest transition of power in Soviet history—and not the protracted power struggle which had been widely predicted.

At the June session of the Supreme Soviet, a mere seven months later, Mr Andropov acquired the "triple crown" by adding the State presidency to his other titles as party boss and head of the Defence Council. It took Mr Brezhnev 13 years to accomplish this.

Forced to take a line of lesser resistance

But symbols of power are not necessarily the same as the realities: Unlike democracies, where newly elected leaders bring a team of like-minded Ministers and advisers with them, a new Soviet chief inherits his predecessor's team in its entirety.

This ensures caution and continuity until the new leader is able to winkle out his potential opponents and put in his own, trusted supporters. Only then does he have real power of manoeuvre, and even then he has to take into account the views and wishes of powerful lobbies.

That said, the emergence of Mr Andropov marked several significant new departures. In the first place he was the oldest man ever to become leader. As such he is the Soviet Union's first obviously interim chief.

Second, he did not come to power through the party apparatus, the traditional stepping stone to power but through the support of three of the most powerful Soviet lobbies — the KGB security apparatus, the military industrial complex and the foreign policy establishment. His "grand electors" were Dmitri Ustinov, Minister of Defence, and Andrei Gromyko, Minister of Foreign Affairs.

The unorthodox nature of Mr Andropov's power base, the unprecedented promotion of a former secret policeman to head of the Soviet State and the Communist Party and above all, the limited time at his disposal are all key factors which must be taken into account in any assessment of his performance over the first year, be it in the fields of domestic politics, economics, or foreign affairs.

As regards domestic politics, the hallmark of Mr Andropov's policy has been more of the same—a renewed crackdown on political and artistic dissidence, tighter restrictions on Jewish and other emigration and a tough campaign against crime, corruption, drunkeness and labour indiscipline.

Wags have called this the "Andropovschina," a play on words recalling the "Obschina," the rule of terror imposed by Ivan the Terrible.

Unable, so far, to introduce new blood at a politburo level, Mr Andropov has taken a line of lesser resistance and concentrated on weeding out the most obviously corrupt and inefficient Brezhnev placemen in the unwieldly Government structure.

At the same time, however, he has not besmirched the former President's name or made him a "non-person," a fate which befell other Soviet leaders like Trotsky, Bukharin, Stalin and Khrushchev.

Within the party apparatus itself, he has managed to replace 9 out of 23 central committee secretaries—keys to eventual control. He has also retained his own security power base by appointing Victor Chebrikov as new KGB boss, and promoting KGB professional Vitali Fedorchuk as the new Minister of the Interior.

Economically, Mr Andropov inherited a legacy of declining productivity, sharply higher costs for energy and raw materials located in distant Siberia, and deep-rooted agricultural problems. This contrasts sharply with the 1970s when the Soviet Union benefitted both from higher world energy prices and the economic fruits of detente.

As former head of the KGB, and privy to the unofficial public opinion sampling provided by an army of secret policemen, Mr Andropov knows better than most that food shortages, shoddy goods, poor service, waste and corruption are potent sources of domestic discontent.

But persuading the Soviet man in the street that he should change his mentality from one of "they pretend to pay me, so I pretend to work" to enthusiasm for sobriety, higher productivity and discipline is not easy.

Mr Andropov's first move was to cash in on his policeman image and shock workers out of their slothful ways by highly publicised police raids on bars and sauna baths and by a campaign to shame slackers and *drunkards* in their workplace.

He then singled out major bottlenecks in the economy—like transport, distribution and energy. He sacked Ministers holding key portfolios, like the Minister of Railways, appointed younger, more professional men in their place and set up a new Central Committee secretariat with overall responsibility for economic co-ordination.

All this reflected his belief that the Soviet economy was, and is, capable of substantially higher and better quality output from existing facilities, given better management, tighter labour discipline and *removal of the most obvious* technical bottlenecks. The 4.1 per cent rise in industrial production over the first nine months of this year, compared with only 2.8 per cent in 1982 provides a limited vindication of this view.

At the same time, he has moved cautiously to set in train deeper economic reforms by authorising five important industrial ministries to embark on a controlled experiment, starting in January, under which managers will be given greater responsibility. If successful, the experiment will be extended.

But historical precedents for such piecemeal tinkering do not provide grounds for great optimism. No serious attempt has been made to reform the pricing system, or the central planning bureaucracy. New labour legislation intended to promote greater worker participation retains close party control over worker delegates while management is obliged merely to "consult and inform" them twice yearly.

Unions remain essentially "transmission belts of the party" dedicated to raising productivity and ensuring labour docility by their power to allocate flats, holidays and other benefits to the diligent and obedient.

Mr Andropov's desire to see improved inter-Comecon co-operation and integration and less foreign technology dependence has also come to little. At the apparently fractious Comecon Prime Ministerial meeting in East Berlin recently, Soviet demands for higher quality products from its partners were *matched by equally* insistent demands for fuel and high quality raw material inputs from the Soviet Union.

In the foreign policy fields, Mr Andropov's most notable move has been a series of arms control initiatives. These have spearheaded a campaign to convince public opinion in the West that the Soviet Union is flexible and peace-loving, thus trying to head off the impending deployment of cruise and Pershing II missiles.

It amounts to what General Edward Rowney, head of the U.S. delegation at the strategic arms (Start) talks in Geneva *summed up as "trial by Yuri."*

But the Soviet barrage has cut little ice with West European opinion. The West German and British elections returned conservative governments strongly committed to the Nato decision to deploy cruise and Pershing, failing acceptable concessions from Moscow on the deployment of SS-20 missiles.

Faced by Nato solidarity, Moscow has announced plans to deploy new short and medium range nuclear missiles on Czech and East German soil. But there are growing signs that this is creating political unease in its own back yard, swelling the ranks of unofficial peace movements.

Moscow's attachment to the SS-20 has also complicated its relations with Asia: both Japan and China have protested over the missiles deployed against them.

Mr Andropov indicated at the start of his rule that he wanted to look at ways of improving relations with China and solving the question of Afghanistan. But Moscow has not come up with the sort of concessions needed to permit even a partial withdrawal of Soviet troops from Afghanistan or a real improvement in relations with China.

Unable or unwilling to offer concessions in these key areas, possibly because of opposition from the military-industrial lobby, Mr Andropov's only high risk venture in foreign affairs has been the dispatch of new Soviet missiles and 5,000 Soviet troops to man them in Syria.

Despite this caution, and Mr Andropov's early signal of a desire for "good, even friendly" relations with the United States, relations with America have plummetted to new lows of suspicion, and even an exchange of personal abuse between the two leaders.

These strains have been underlined by the two recent dramas—the shooting down by the Soviet Union of the Korean Jumbo jet, and the U.S. intervention in Grenada.

The Korean aircraft disaster and its aftermath stirred speculation about who was really in control in the Kremlin, and whether the military had increased their power at Mr Andropov's expense.

Foreign crises intensify the strains

Mr Andropov's non-appearance on Red Square this week prompts another question: Is the ailing leader politically and physically strong enough to push through the kind of compromise which is required if progress is to be made in both the intermediate range nuclear force (INF) and strategic arms reduction talks in Geneva.

The answer to this, the most crucial question affecting East-West relations will only become clear when President Reagan unveils his latest proposals for an INF compromise and Moscow gives its response.

Anthony Robinson, the FT's Moscow Correspondent, was expelled from the Soviet Union last April and is now based in London.

Men & Matters

Trade terms

With only 37 shopping days to Christmas Britain's retailers are already beginning to feel merry. The omens point to a "bumper Christmas spending spree," as the PR men will doubtless be telling us.

However, midst all this incipient jollity the retailers' main trade association — the Retail Consortium—is less certain that it should be about its future role.

The Consortium, which is the umbrella body for various retail trade groups and claims to represent over 90 per cent of Britain's retailers, has been without a man at the helm since early summer when its director general, Bob Lloyd-Jones, resigned over a policy row about the way in which the Consortium should develop.

Since then another senior official Heather Spencer, has also decided to leave her post as executive officer.

Lloyd-Jones had only been with the Consortium for two years after a term with the British Textile Employers' Association as director general. But his spell at the Consortium was dogged by the difficulties retailers have been experiencing from the economic recession, and uncertainty whether or not the Consortium should spread its wings to become a mini-CBI for its industry.

Some large retailers are thought to have wanted a more direct say in the Consortium rather than having to make their points through membership of an affiliated trade body.

For the last six months the Consortium's affairs have been run by its part-time chairman, Colin Patterson who is also deputy chairman of British Home Stores. Patterson makes clear that the Consortium has not been looking for a successor while an internal review of its structure has been taking place.

But I understand that a new director general will be head-hunted shortly.

"House of Lords? Is there any way of putting the Post Office Union's appeal at the top of the list?"

Double talk

Language is always a barrier to communication between Japan and the outside world. But, nevertheless, there are times when harrassed Japanese officials who are doing their best to defend the government's trade policies might wish the barrier was even higher.

Take the fun and games this week when a department chief at the Ministry of International Trade and Industry was briefing foreign journalists on his Ministry's latest attempt to get other goverment agencies to use more foreign-built computers.

In answer to the question by a Western journalist, "How many foreign computers are actually in use today within Government offices?" the official obligingly answered in Japanese, "Fifteen out of a total of 345."

But before this interesting information could be translated into *English* a junior aide interrupted with, "Those figures are not supposed to be published."

Without turning a hair the department chief went on to say, through the interpreter, that unfortunately no figures were available on the exact number of foreign computers in use in government offices.

An embarrassing disclosure might thus have been averted —had not some of the pressmen present understood Japanese.

Franc afloat

After experimenting with all the conventional economic devices to contain inflation, the French government has decided to try a little show business. It has launched a glossy television advertisement campaign to try to persuade the French government's anti-inflation drive.

The government had hoped to hold down inflation in France this year to an 8 per cent annual rate. It has now had to throw in the towel M Jaques Delors, the Finance Minister, has acknowledged inflation is likely to be closer to 9.5 per cent.

M Delors and his team at the Finance Ministry are still hopeful they can hold inflation down to 5 per cent next year although they admit it is an ambitious and optimistic target. But with *few politically acceptable* economic mechanisms left to fight the inflation battle, he has decided to invest FFr 6m in a five-week advertising campaign.

The first ad has been shown on prime-time television. The 30-second spot shows five windsurfers racing in slightly choppy waters. Their sails depict the flags of France, the U.S., West Germany, Japan and Britain. The French windsurfer is trailing behind the others but gradually catches them up. The theme of the ad, which could be quite suitably used to advertise a Club Mediterranee *holiday*, is that with 5 per cent inflation rate next year France can still stay in the world race.

The French appear to have reacted with mixed feelings to the ad campaign after the first showing this week of the government television spot. They liked the ad but somehow felt the slick windsurfing scene was a slightly odd choice for an appeal for spending restraint.

Grounded

The debt-ridden National Coal Board has decided it can no longer afford the luxury of its own stately but aged executive aircraft for ferrying VIPs between pitheads.

On the borders of Ian MacGregor, the chairman, the board *is seeking offers for* its propellor-driven De Havilland Dove, which was acquired in the 1960s

An advertisement in Flight International says the machine is in excellent condition.

However MacGregor, I am told, has never taken to the air in it, and does not intend to replace it.

The sale is causing few regrets among senior NCB people, each of whom has a personal story of exciting trips bouncing through the winter storms

Doves were first built in the late 1940s and sold well. But they have long since gone out of production.

MacGregor is showing a keen eye for economy at the NCB. At a recent board meeting he lectured on the need for prudence in travel expenses. To reinforce his point he pulled out his London Transport old-age pensioner's travel pass.

Treasury tip

Sign in a Birmingham pet shop: "Buy a little swing and balance your budgie."

Observer

POLITICS TODAY

Present at the creation

By Malcolm Rutherford

SHORTLY BEFORE he died, Ernest Bevin was asked what he thought had been his greatest achievement as Foreign Secretary. "Tell them to ask the question in 20 years' time," he replied.

Lord Bullock's superb volume* on Bevin's stewardship of the Foreign Office comes rather later than that, but the delay is wholly an advantage.

For this is a book not only about Bevin, but about the foundations of the postwar system, and it is the first to have access to the documents. Dean Acheson, the American Secretary of State for part of the period, called his own book "Present at the Creation." That would not be too pretentious a title for anything concerning Bevin, who was creative as well as present.

It was Bevin more than anyone else — though Churchill helped—who was responsible for establishing the special relationship between Britain and the United States. It may be fortuitous, but it is also fortunate, that the book should be published at a time when the special relationship—and indeed the nature of the postwar settlement — are again under scrutiny. Anyone seriously interested in international affairs should have read it by the end of the Christmas holidays.

Publication raises the unavoidable questions. In the immediate aftermath of the second world war, should British foreign policy have been different? Perhaps more subtly, *could* it have been different? Should the British have tied themselves so closely to the U.S? Should they have started to reduce their world role earlier and faster?

Alternatives were after all considered at the time, and at the highest level. In early 1946 Clement Attlee, the Prime Minister, circulated a paper which said: "We must not for sentimental reasons based on the past give hostages to fortune. It may be that we shall have to consider the British Isles as an easterly extension of a strategic area, the centre of which is the American continent, rather than as a power looking eastwards through the Mediterranean to India and the East."

There were alternatives from the left: a more tolerant view of the Soviet Union, for example, and perhaps a tilt towards neutralism.

Bevin disagreed with all of them. But it was not because he had an exaggerated view of British power. On the contrary, he was more conscious than most of the extent of the country's postwar weakness.

He knew that never before had Britain been so incapable of backing up its diplomacy with economic, industrial or financial strength.

Yet there was also a paradox. Britain had won the war. She was the only one of the Allies to have fought without being attacked first, and it was the second war within three decades in which America came in late.

There was no particular reason to believe in 1945 that either of the two emerging superpowers would wish to play a constructive role in establishing a postwar settlement. America was, if not isolationist, at least unpredictable. The Soviet Union, it quickly turned out, was grasping.

For Britain there was little else to rely on except diplomacy and past reputation.

The problems were vast, involving at least half the world. "I am sorry to be so long," Bevin said in a speech in the House of Commons in November 1945. "I cannot help it. All the world is in trouble and I have to deal with all the troubles at once."

Apart from Europe, a big enough problem in itself, there was Palestine, India, Iran, Egypt, South East Asia—the list is almost endless. There was also the Bomb.

Could Britain, having pioneered the development of atomic weapons, easily have abandoned them unilaterally once the war was over? While, with hindsight, there is some room for doubt about the answer to that question, it must have appeared different in 1945.

There was not much suggestion then of a *Pax Americana* and, even if there had been, not everyone would have welcomed it, either on the right or the left. There was no perception of preserving a global balance of power by nuclear parity between the U.S. and the Soviet Union.

There was also, in 1945, no European alternative, since much of continental Europe was in ruins. Some hope lay in France, and both Churchill and Bevin went out of their way to show their belief that the French must again become a major power, though the relationship between London and Paris was usually difficult. The idea of a Germany back on its feet evoked far more fear than confidence.

Foreign Secretary Ernest Bevin (left) and Prime Minister Clement Attlee in 1945—"responsible for establishing the special relationship."

Bevin's major achievement was to involve the Americans. He did that quite early. President Truman said in 1945 that America would continue to play a world role. Churchill responded, and Bevin agreed, that if such a statement of U.S. intentions had been made before 1914 or before 1939 neither world war might have taken place. But it was a bit longer before the extent of the commitment became clear.

There was also the temptation, which the Russians eagerly exploited, to do deals with the Soviet Union over British heads. The Americans disagreed with the British fundamentally over Palestine and, not for the last time, appeared to renege on understandings with the British Government because of their own Jewish lobby. The terms of the American postwar loan to Britain were felt to be ungenerous even by Lord Keynes, who was in favour of it in principle.

Indeed the history of Anglo-American relations seems to be littered with occasions when the Americans did their own thing, yet the British went back for more because they were anxious to keep the U.S. in the fold and to exert what influence they could on Washington.

In February 1946 Churchill made his famous Fulton speech in Missouri, calling for cooperation between the U.S. and the British Commonwealth. Yet the tendency to isolationism was still strong.

The Wall Street Journal commented: "This country's reaction to Mr Churchill's Missouri speech must be convincing proof that the U.S. wants no alliance, or anything that resembles an alliance with any other nations" — and it was not being maverick.

The turning point came in Iran later that year, when the U.S. warned unequivocally against any further Soviet military intervention. The warning worked: Soviet troops were withdrawn and there was no Iranian coup. That in a way became the pattern of postwar relations for many years. When the U.S. firmly said "no" the Russians held back. But it was the British who had warned the Americans first that the Soviet Union was an expansionist, probing power, and their advice initially went unheeded.

Thus by mid-1946 Bevin had succeeded: Britain might be on its knees financially and never again be the power that it once was, but the U.S. had become part of a new world system. And that was largely what the British wanted — almost a transfer of power and responsibility, while retaining some influence. In the climate of the time that can hardly be regarded as a negligible achievement.

The mistakes came afterwards, and most of them go beyond Bevin's period at the Foreign Office and the scope of Lord Bullock's book.

By far the biggest was that, having succeeded in involving America and subsequently seeing the beginnings of economic regeneration in Europe, the British stood aside.

That was the fault of the special relationship. It was too comfortable to have the U.S. to fall back on and it made political involvement in Europe in the 1950s seem unnecessary.

If anyone wants to identify the single biggest failing of British postwar foreign policy, it was the refusal to be in at the formation of the European Community. Arguably, that is still what the country is suffering from today.

Publication of the book coincides with another period of doubts about American leadership. It has become almost part of the conventional wisdom that Europe needs to do more to look to its own defences and its own diplomacy.

Yet there is a caution here. Present divisions are not so much between America and Europe as between some Americans and some Europeans.

Euro-U.S. relations — and Soviet-U.S. relations—might be quite different if (say) Mr Walter Mondale were in the White House. And we should remember that these relations have always had their ups and downs. It would be unwise to seek too radical a remedy merely because of difficulties at the moment. But one point is fundamental. The special relationship is not between equals. The way to seek influence in Washington and a greater say in the workings of the Atlantic Alliance is through Europe. That is what Britain failed to appreciate in the mid-1950s.

There are two further questions, the seeds of which are in Lord Bullock's book. What happens if the Soviet Union doesn't change, and is there any reason to think that it will?

The language of Soviet diplomacy does not vary much with a change in Foreign Ministers, and even they change none too often.

In the early postwar peace conferences Molotov insisted, time and again, that the Russians were not going to be treated as inferiors but as equals. It is the same language that Mr Gromyko employs today.

But what is the Soviet definition of equality and when do the Russians think they will achieve it?

Speaking of the difficulties of getting away from power politics, Bevin noted in early 1946: "You have Russia . . . who in foreign policy is quite clearly as imperialistic as the greatest of the Czars, Peter the Great or anybody else, and who is seeking to put around herself for security purposes whole groups of satellites in the south, east and west with the view of controlling every kind of place which is likely to come in contact with her. I think she has an inherent fear, quite unnecessarily, that the big powers like us and America may some day or other attack her . . . Therefore she adopts methods which are very much out of date."

That does not mean that you should not negotiate with the Soviet Union or even that you cannot reach agreements that will stick. But it does mean that you have to be careful. As for change, there is no sign of it and it is unlikely, because the mechanism for it does not seem to exist.

* *Ernest Bevin, Foreign Secretary, Heinemann, £28.*

Lombard

Why pragmatism is not enough

By Jurek Martin in Tokyo

TWO WEEKS ago, in the wake of the invasion of Grenada, the Financial Times argued in an editorial that "the primary aim (of America's allies in Europe) should be to exert a sobering influence on Washington; failing that, publicly to set out a distinct European point of view."

This week, with President Reagan in Tokyo, it is reasonable to consider whether the same can be asked, or even expected, of Japan. After all, in the opinion of the worldly-wise American ambassador here, Mr Mike Mansfield, no U.S. bilateral relationship is more important than that with Japan; few people here, and certainly not Mr Yasuhiro Nakasone, the Prime Minister, who apparently wants to give Japan a global role more commensurate with its economic strength, would disagree with him.

Yet it remains a relationship curiously lacking the give-and-take dimension that characterises truly stable marriages. This is partly explicable by modern history and, currently, partly by the identity of opinions held by Mr Nakasone and Mr Reagan—especially their shared mistrust of the Soviet Union. To the extent that there is debate between the two nations, it has become confined to strictly commercial and defence related issues, in which the politics of expediency (in the shape of elections within the next year in both countries) have assumed disproportionate influence.

But, as two other equally conservative leaders, Mrs Thatcher and Chancellor Kohl, have recently demonstrated, at some cost to themselves, even friends of the U.S. are not obliged indiscriminately to follow the American lead. In particular when an overriding principle of international behaviour, in the case of Grenada the sanctity of national borders, is at stake.

From Japan, however, it is noteworthy that there has not been a squeak of official dissent, or even much internal debate, over the invasion of Grenada. The government has described the U.S. action as "understandable" if "regrettable:" true to pragmatic form Japan contented itself with abstaining in the UN General Assembly vote, presumably with the purpose of offending no one, including the soon-to-be-visiting U.S. President.

For all its short-term bilateral tactical soundness, this sort of minimalist approach to foreign policy does conform to a rather disturbing pattern for a country which wants to play in the big leagues of the world. Britain remembers, for example, only too bitterly how Japan resolutely sat on the fence throughout the Falklands crisis, again presumably for fear that it might damage its trading relations with South America if it did otherwise.

More recently it is difficult to ascribe Japan's sudden interest in the war between Iraq and Iran to anything other than concern for the fate of the Bandar-Khomeini petrochemical complex to which Japanese companies are so heavily exposed.

Even on those international issues which cut across East-West divides, for instance the humanitarian case of resettling Indochinese refugees, the Japanese response remains diffident to the point of being nugatory. After incredible bureaucratic contortions, Japan, which has a population of 117m, is about to announce that it will permit 5,000 such displaced persons to reside here, 2,000 more than hitherto. It is worth noting, in comparison, that France, Canada and Australia (each with smaller indigenous populations even if with more spare) have admitted 80,000-90,000 apiece.

It is undeniable that there is no constituency inside Japan in favour of absorbing more refugees, but that tends to prove rather than refute, the point. If Japan wants to be considered an authentic major power, it may be forced into positions and policies which do not necessarily meet the extremely narrowly defined concept of national self-interest to which Japan has become accustomed and from which it has undoubtedly profited.

In other words, were the FT to turn its gaze to Japan, it might legitimately wonder if "a distinct Japanese point of view" other than undistilled pragmatism can be said to have any chance of existence. Mr Nakasone and Mr Reagan could make a start on the formulation of one this week, but, regrettably, they will not.

Letters to the Editor

Privatisation of British Telecom

From the chairman, British Telecom.

Sir,—The letter from Mr Alan Chamberlain, Secretary of the British Telecommunications Unions Committee, accuses British Telecom of "misinformation" in the advertisements we have been placing in the Financial Times and other national papers to inform customers about the fact of privatisation. However, stepping aside from the rhetoric of political controversy, our advertisements are straightforward answers to questions which have been raised by our customers and staff.

Mr Chamberlain refers to "assurances" which he says have been given to customers by the board of a "currently nationalised industry" which cannot bind the board of a future privately owned enterprise." The truth is that our advertisements do not so much deal in assurances, as reflect aspects of the draft Bill and the draft Licence—matters of fact which are not at the discretion of any board.

As it happens, the Secretary of State has already announced that the present board will "see British Telecom through the difficult transition period from national corporation to public limited company and give it a good start."

Turning to the detail of Mr Chamberlain's letter the facts are that the draft Licence provides safeguards for the rural and emergency services, telephone kiosks and social services such as for the disabled. And tariff increases for the residential customer are to be related to the RPI. It is intended that the Articles of Association of BT plc will impose a ceiling on the shareholding of any individual or group thus preventing a UK or foreign takeover.

As for Mr Chamberlain's rhetorical questions about Defence, the Bill provides for powers of direction relating to national security or international relations to be available to the Secretary of State.

Finally, may I deal with the so-called American experience. Mr Chamberlain argues that in America the "access charge" concept for telephone services has been shown not to work; that AT&T has divested itself of its loss-making services; that customer charges have risen 300 per cent, that rural services have been reduced and public service commitments eschewed. This is a sad blend of inaccuracy and speculation.

The so-called "access charges" in the UK will be very different in concept from what they are in the U.S. (Two nations once more divided by a common language.) In the UK they will form part of the charging arrangements made by BT's local networks on other interconnecting networks: either BT's trunk or international networks or those of other telecommunications operators. They will not be paid directly by end-customers—which is what all the fuss is about in the U.S.

AT&T will not be divesting itself of the local Bell operating companies next year with a view to disposing of its loss-making activities and eschewing its public service commitments. It will do so because it was pressed to, as part of a deal to allow it into new commercial activities such as computing. In any event, this is not relevant to the UK where the Government has already agreed that British Telecom should remain a single entity and that there should be no such restrictions on its scope to enter new information technology markets.

It is also quite misleading to talk of customer charges having risen by 300 per cent and rural services being reduced. Neither has happened; this is pure speculation about the future. It is even more misleading to assume that the same would happen in the UK where the terms of the draft licence for British Telecom will safeguard rural services and set a ceiling on increases in charges for local line rentals and calls. More to the point is the fact that in many parts of the U.S. local calls are subsidised to the extent that they are offered free of charge; whereas, in the UK they are in profit.

Far from running a misinformation campaign as Mr Chamberlain suggests, British Telecom is concerned to ensure that its customers and its employees are informed of the facts, upon which they can base their own conclusions.

(Sir) George Jefferson.
2-12, Gresham Street, EC2.

Election by vote-ranking

From Mr Michael V. Slavin

Sir,—Mr Townsend's letter on "Election by vote-ranking" is extraordinary. He thinks PR systems provide less than "true" proportionality. He therefore advocates retaining the first-past-the-post system, which now exhibits virtually no proportionality. Only he wants to mount a stewards' enquiry after the race, to work out who should have won, and adjust the results accordingly! Can you imagine the position of an MP trying to represent a constituency whose one (or, for low-supported parties, several) candidates got more votes?

Mr Townsend's problem is a common one: he thinks transferable voting is complicated. This is simply not so. The elector only has to rank those candidates he wishes to in the order he prefers, nothing more. He can even place an "X" against his one and only choice.

What is complicated is for parties to manipulate the result: how, say, to capture the 4th seat in a 4-member constituency where the three major parties have 30 per cent support each. This can only be done reliably by choosing candidates with wider-than-party appeal. And, of course, our presently polarised party activists don't like that.

Michael V. Slavin.
30 Greenholm Road, SE9.

Pros and cons of work sharing

From Mr R. S. Musgrave.

Sir,—May I second Samuel Brittan's attack on work sharing (October 6 and 13) and attempt to explain in as simple language as possible the "Lump of Labour" fallacy since many people, particularly Messrs Hill and Keersemaker (October 25) others have completely failed to grasp it?

There is a maximum possible level of demand in any economy determined by numerous factors such as numbers available for work, hours they are prepared to work, their productivity and so on. It is utterly useless to reduce any of the latter, for example reduce the number of hours people are allowed to work as in work sharing, since that in itself reduces the maximum possible level of demand, that is the total amount of work available. Unemployment is thus not reduced one iota.

Of course demand may not be at its maximum possible level and in this case labour supply reducing schemes like early retirement and work sharing *will* reduce unemployment (assuming constant demand). But in this situation as Samuel Brittan points out, it is nonsense to forcibly reduce the hours that people work where it is feasible to raise demand and provide them with the hours of work they want.

R. S. Musgrave,
24 Garden Avenue,
Framwellgate Moor, Durham.

New threat to rail electrification

From Mr Ralf Bonwit

Sir,—It looks as if railway electrification will be the first victim of the Government's policy of curtailing public expenditure, even before the "Star Chamber" has given its ruling.

By 1986, Government subsidies to the railways are to be cut by some 25 per cent from the present, by no means generous, level, so that no margin will be left for a comprehensive electrification programme; the target year for this grant reduction is also the effective time limit for the replacement of worn out diesel stock. By combining rolling stock replacement targets with electrification mileage projections, it is possible to effect considerable savings, since three electric locomotives can do the work of five diesels.

There was a vague reference to Government support for worthwhile investment "clearly related to the objectives . . . set to the board"; but it was not made clear whether such support would be forthcoming over and above the projected grant total, or what its magnitude could be. Meanwhile, railway finances are to be refurbished by various forms of asset stripping. It is, for instance, sensible to divorce the production of locomotives and rolling stock—but not their maintenance—from railway activities proper, as has been the case for many years on the Continent and in Scandinavia.

But it is unlikely that the Crewe or Doncaster locomotive works will fetch a good price if offered to our private railway industry, if there is no prospect of a sustained domestic market through a systematic programme of railway electrification.

It was reassuring to be told that the Government has no intention to implement the more absurd proposals of the Serpell Report—which, incidentally did not touch on the problems of electrification—but the proposed grant reductions do not foretell developments which could transform the latest Department of Transport U-turn into a message of "hope for those who travel on the railways and those who work on the railway." It very much looks as if the Serpell derogation of existing railway safety standards has been taken far too seriously by the new Secretary for Transport.

Ralf Bonwit.
Sorby,
Kiln Lane,
Binfield Heath,
Henley-on-Thames.

FINANCIAL TIMES

Friday November 11 1983

STATE OF HESSE MAY HELP WIBAU

IBH chief optimistic after talks

BY JOHN DAVIES IN FRANKFURT

HERR Horst-Dieter Esch, founder and chief executive of the struggling IBH construction equipment group, said last night that he was "quite happy" after a meeting with bankers to discuss the West German company's future.

Herr Esch had a meeting lasting several hours yesterday with bankers at the offices of Schröder, Münchmeyer, Hengst (SMH) in Frankfurt.

The banking system's intervention to rescue SMH from financial difficulties last week touched off the move by IBH last Friday to seek court protection from its creditors.

Herr Esch is seeking the approval of the court and creditors to write off most of the IBH's debts and to restructure the group.

He has said he proposes to maintain a core operation of subsidiaries in the U.S., Britain and West Germany but to shed some other operations, notably in Brazil and France.

Herr Esch said last night that he would have a further meeting with bankers next Thursday. In preparation for these talks, IBH would send the bankers details of its survival plan on Monday.

"I'm quite happy with the result of the meeting," Herr Esch said. "The banks say they will look at my proposal in detail. If they did not like the proposal, they would not want it."

Herr Esch said that his discussions took place with representatives of banks which have taken part in the rescue of SMH. None of SMH's managing partners was present.

SMH was heavily involved in financing IBH's activities, with credit being supplied through channels in West Germany and abroad. It was also active in financing the fur trade, which has been experiencing difficulties.

After being called together by banking supervisory authorities, the German banks, together with their deposit guarantee fund, are providing aid of more than DM 600m ($225.5m) to enable SMH to continue its banking business.

The state Government of Hesse in West Germany has expressed willingness in principle to help Wibau, the struggling construction equipment company, to stay in production.

The Government will not decide, however, until it has received the results of an examination of the company's finances and a plan for its future operations.

Wibau applied on Wednesday for protection from its creditors under a proceeding known as *Vergleich* (composition), in the wake of the troubles of the IBH construction equipment group headed by Herr Horst-Dieter Esch.

Although IBH has only a minority stake in Wibau, the companies have been closely associated. Both groups are now seeking the agreement of the courts and their creditors to write off much of their debts and to carry on operations in some form.

Wibau said yesterday that it had asked the Hesse Government to provide a guarantee enabling credit to be obtained so that production could continue at least until the end of the year.

The company would not disclose the amount of guarantee sought, but said it hoped to obtain it by the end of this month.

Wibau employs about 2,500 workers worldwide, including 1,200 in the small town of Gründau, which depends heavily on the company for its prosperity.

The company said it was making a profit and did not have excessive debts, but faced liquidity problems because of bank attitudes after the IBH court move.

Wibau said its operations abroad, including those in Britain, France, Canada and Singapore, were independent companies with their own credit arrangements.

Herr Roland Spicka, chief executive, who is a former IBH manager, has a 15 to 20 per cent stake in Wibau. IBH, which previously held about 36 per cent, has reduced its stake to about 26 per cent. According to unconfirmed reports, the purchaser was Schröder, Münchmeyer, Hengst (SMH), the private bank whose difficulties brought IBH's own problems to a head.

Ian Rodger and Robin Reeves write: J. C. Bamford Excavators, the privately owned UK construction equipment manufacturing group, is considering buying some of the businesses in the German IBH and Wibau groups.

Paris bid to defuse CGT row over paper producer

By David Housego in Paris

IMPORTANT concessions have been made by the French Government in an attempt to end the bitterly fought conflict with the Communist-led CGT union over the future of Chapelle Darblay, the Rouen-based newsprint producer.

The concessions came in the form of an offer yesterday by the Dutch group, Parenco, which is taking over management control of the large French newsprint producer to maintain an additional 400 jobs. The initiative for the offer came from the government, which is also expected to put up the estimated FFR 600m ($74m) of additional finance.

Under a restructuring plan put forward by Parenco and accepted by the Government, Chapelle Darblay was to have laid off some 1,500 of its 2,100 workforce.

The CGT's opposition to the plan on the basis of the substantial layoffs involved and the tie-up with a foreign partner has become an important test case of their ability to challenge big industrial restructurings. The local union, in close co-operation with the CGT headquarters in Paris, has occupied the Saint Etienne-du-Rouvray plant of Chapelle Darblay at Rouen and effectively thrown an armed guard around it. Until now, the Government has been uncertain how to respond.

Under the new proposals put forward by Parenco and designed to end the dispute an additional 400 jobs will be preserved by 1987-88 through the transformation of the Saint Etienne plant into a producer of glossy, magazine type paper, while building a new newsprint machine at the neighbouring Grand-Couronne plant, which was destined to be closed.

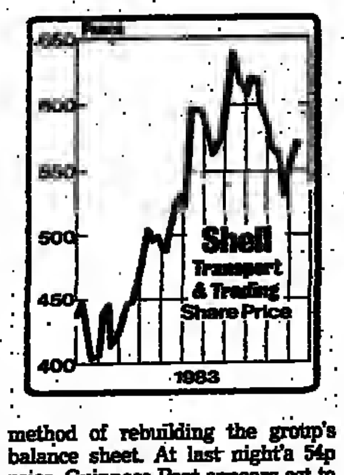
The Communist Party and the CGT have launched a large campaign to increase the proportion of newsprint produced in France on the basis of French wood. They have been particularly anxious to show their strength in Rouen, which is a Communist bastion.

The Ministry of Industry formally endorsed the Parenco proposals yesterday which seem to have been made reluctantly by the Dutch group in what they see as an increasingly disquieting situation. The Ministry of Industry said in addition that it would provide further help to help soften the impact of the lay offs still planned.

THE LEX COLUMN

Everything goes better at Shell

Increased upstream production and fatter margins downstream have left the Royal Dutch/Shell group with another strong quarterly performance in the three months to September, lifting net income from £451m to £645m. A negative earnings adjustment to take account of changing stock prices caught some analysts on the wrong foot yesterday – not surprisingly, perhaps, given the recent period of relative price stability – but the group's net income figure of £678m against £303m on a current cost of supplies basis served anyway to underline the marked improvement in Shell's position this year.



Outside North America, downstream profits for the nine months are up from a restated £313m to £557m on a current cost basis. This reflects a higher refinery utilisation rate and a better mix of products as well as wider margins, and Shell appears to have improved its share of the world market.

Upstream, increased production rates in the North Sea are clearly the basis of an £80m profits jump for non-North American operations, but LNG earnings in Malaysia have also made a first useful contribution.

In the U.S., Shell Oil's operating profits from oil and gas suffered another decline, as already reported; but its small gain in net income, besides marking a rapid recovery from the disastrous first quarter, has enabled it to make a substantially higher contribution to the group results after allowing for sterling's weakness.

The third quarter has thus produced another towering cash flow, topped off by reductions in capital expenditure, most notably in coal and metals. Quite apart from the £2¾bn which Shell might just make in 1983, it is already sitting on cash of £5.3bn, a quarter of it gathered this year – and shareholders can now earn just over 6 per cent on the shares, up 4p at 570p, while they ruminate on how best the group might spend it.

Guinness Peat

In the ordinary course of things, Guinness Peat's management might have felt rather pleased by the 17 per cent rise in their share price which has occurred in the past week. Just now, however, it is something of an embarrassment, suggesting as it does that taking over the Moorside investment trust has turned into an extravagant method of rebuilding the group's balance sheet. At last night's 54p price, Guinness Peat appears set to issue £25m of equity in exchange for assets of around £20m.

Although it is easy to argue that Guinness Peat shares are, in reality, backed by more than the 33p of assets currently on display – the Fenchurch insurance broking business is still in the books at something less than a single year's profits – the market in Guinness Peat shares is fairly thin and correspondingly easy to move, so that there is perhaps a whiff of artificiality about the latest run up in the price.

Even if Moorside is being purchased on less than optimal terms, Guinness Peat clearly needed another dose of fresh equity if it was to do more than attempt to trade passively out of trouble over the next couple of years. Anticipation of the Moorside proceeds has already played a part in allowing GP to rearrange its bank loans on a more favourable basis and to set about buying new income-generating assets in the U.S.

In any case, shareholders have little choice at this stage of the game but to support Guinness Peat's present management in the extraordinary meeting next Tuesday. If the Moorside deal were to be frustrated by a vote against Mr Morton and his colleagues, that would at best result in renewed confusion as to the future of the company, damaging to everyone concerned.

Unilever

Unilever is doing almost everything the enthusiasts expect of it. Profits in the third quarter were up 11 per cent to £219m, a considerable athletic feat given that most of its major markets are still crawling forward. The share price responded with a 17p jump to 850p and there was no evidence of men in stripey jumpers taking profits.

The hot weather probably added around £10m to ice cream profits and caused a tea-drinking epidemic in the U.S., but these seasonal factors were broadly matched by a rise in exceptional costs and a fall of perhaps £10m at UAC where the malaise of the Nigerian economy has spread to adjacent Francophone countries.

So underlying progress remains sound, if unspectacular in volume terms. The very strong performance by National Starch and Lipton in the U.S. sheltered an unusual incidence of launch costs at Lever Brothers, but the real surprise was probably Europe, where Unilever is now seeing considerable benefit from recent product introductions and is using its comparative favourable stock position in edible oils to chase market share.

The full-year figures will be depressed by translation losses of up to £20m but at least the dustbin of exceptional costs should be smaller in this year's final quarter than last time. The precise level of profits will depend on the group's approach to its soya inventories but £760m pre-tax should not be an unreasonable target.

BET

The past two days will probably have done more for BET's reputation in the City of London than all the aggressive image-building of the last few months. Hard on the heels of the disposal of its North Sea interests comes news of a redevelopment plan for Wembley Stadium. BET will receive £25m for 50 per cent of its investment and will shuffle the whole of the development funding, amounting to £300m over 10 years, on to its venture partners.

Within the BET stable, Wembley has long appeared an under-utilised and ill-fitting asset. Last year it earned £1.9m on a conservatively assessed book value of £23m. As a result of the deal, BET will release cash to help finance its cable television plans and be able to present a slightly more streamlined business portfolio.

Wembley may also prove a model for the cable investment, with BET combining a management role and a minority participation in the equity. The shares, which rose 9p on Wednesday, gainded another 9p yesterday to close at 280p.

Spain and Portugal try to sink differences

By David White in Madrid

THE MODEST mantis shrimp is one of the issues that will decide, at a top-level Spanish-Portuguese meeting today and tomorrow, whether "Mediterranean socialism" is really to be an international movement or whether, like Eurocommunism, its components are already parting company.

The Lisbon meeting brings together Spain's Sr Felipe González and Portugal's Sr Mario Soares, the two premiers, and key ministers from both governments, in an attempt to set relations on a new footing.

Spain's Socialist Government has held two such summits with the Mitterrand Administration. But last month its party delegation walked out of the French-Socialist conference in protest over attitudes to Spain's proposed membership of the European Economic Community.

Although the González Government identified Portugal from the outset as its most difficult bilateral issue, the meeting is singularly ill prepared for any concrete advances to be made. Preliminary talks two weeks ago broke off without agreement on the most contentious issues.

Fishing is the bitterest of the arguments, with Portugal insisting on keeping Spanish boats out of its 12-mile limit and stopping them from fishing local speciality, the mantis shrimp or squill, off Portugal. Spain maintains that it has a treaty right to fish within six and 12 miles until 1989.

The framework for trade relations, to follow the expiry of a first phase agreed under Spain's 1979 accord with the European Free Trade Association is also unsettled. Spain, meanwhile, complains of Portuguese trade barriers.

On EEC entry, Sr Soares is seeking to keep negotiations separate, with a view to finishing Portugal's case first, even if both actually join at the same time.

Finally, the two governments differ widely in their approach to Nato, with Madrid having frozen the process of military integration.

The two countries, which have had virtually unchanged borders since the Moors were expelled from Portugal in the 14th century, have had surprisingly little to do with each other – despite a friendship and non-aggression pact between the Franco and Salazar dictatorships which overlapped for 30 years.

Neither country is among the other's top four trading partners. Spain has a structural balance in its favour, but its bilateral surplus was cut by two thirds in the first half of this year.

U.S. Steel files trade actions against Latin Americans

BY STEWART FLEMING IN WASHINGTON

U.S. STEEL, the largest American steel company, announced yesterday that it was filing unfair trade practice suits against three Third World steel manufacturers: Argentina, Brazil and Mexico.

The move represents a serious escalation of the U.S. industry's battle to halt what it believes to be unfair competition from foreign steel exporters.

It shifts the thrust of its attack away from industrialised nations, such as Japan and the EEC countries, where the U.S. has reached government agreements to restrain exports.

Mr David Roderick, the chairman of U.S. Steel in Washington, who announced the move, also disclosed that the company would "soon pursue legal remedies against Romania, Spain, South Korea and South Africa."

He said that in another measure aimed at protecting the industry from unfair competition, the House of Representatives steel caucus, a group of House members from constituencies with steel industry interests, was yesterday due to introduce a Bill into Congress.

The Bill, the Fair Trade in Steel Act of 1983, would aim to limit foreign steel exports to the U.S. to an average of 15 per cent of the domestic market for a five-year period.

In explaining the reasons for attacking imports from heavily indebted Third World exporters, Mr Roderick launched a blistering attack on the international development lending agencies.

"It is the easy money that allows folly to become fact. International lending agencies have made it too easy for Third World nations, especially, to get loans to build steel mills and other industrial complexes."

He pointed out that while steel imports into the U.S. had grown to account for a fifth of U.S. consumption against a tenth of the market in the 1960s, Third World exporters had been grabbing an increasing share of the market.

In September, he said, 43 per cent of imports into the U.S. came from developing countries, "most of it from steel makers who are totally government-owned and financed."

U.S. Steel's move seems certain to provoke severe diplomatic tensions for the U.S. with the countries involved at a time when they are desperately trying to increase their exports in order to comply with International Monetary Fund targets, and earn foreign exchange to repay huge debt burdens.

Mr Roderick said the company would file countervailing duty cases on hot and cold-rolled sheet steel against Argentina.

Countervailing duty cases are pressed when the plaintiff maintains that subsidies by the foreign government are making its exports artificially cheap. U.S. Steel said the average margin of subsidy it was claiming against Argentina was 55 per cent.

In the case of Mexico, six leading product groups are covered by the company's complaint, alleging an average subsidy margin of 35 per cent. In the case of Brazil, the complaint also covers hot and cold rolled sheet, and alleges an average subsidy margin of 50 per cent.

The company is also filing an anti-dumping case against Brazilian steel exporters, alleging that steel is being dumped at below fair value in the U.S. market. Fair value is determined by production costs or sale prices in third markets. The subsidy margin is alleged to be 80 per cent, the company said.

Shell earnings leap 43% in quarter

BY RICHARD JOHNS IN LONDON

ROYAL DUTCH/Shell, the major natural resources group, jointly owned by the UK and Netherlands, increased its net earnings by 43 per cent to £645m ($955m) in the third quarter of this year, compared with £451m in the same period of 1982. Most of the increase came from higher earnings in oil and gas exploration and production.

Net income for the first nine months rose to £1.77bn against £1.24bn in the same period of last year as the group recorded its third consecutive quarterly improvement.

The results were better than generally forecast and its share price closed on the London Stock Exchange at 570p, up 4p on the day's trading.

Earnings from oil and gas exploration and production outside North America rose to £312m, an increase of £80m over the 1982 level.

The UK, Nigeria and Oman were largely responsible for increased production but smaller sources such as Egypt and Thailand also helped swell the total. Altogether, entitlements ran an 924,000 barrels a day compared with 754,000 b/dn 1982.

Altogether Royal Dutch/Shell's crude supplies in the third quarter amounted to 4.23m b/d, up 13 per cent on the same period of last year, while the volume processed was almost static at just over 3m b/d, giving the group a substantial surplus for its trading operations.

The company also reported a rise in the volume of natural gas sales of 7 per cent, mainly accounted for by sales in Malaysia and Brunei.

In the U.S., income from exploration and production by Shell Oil (of the U.S.) and Shell Canada, the group's majority owned affiliates, declined by about 7 per cent in dollar terms, although in sterling their contribution to the overall result was up from £213m to £230m.

Including all its other activities – refining, marketing and chemicals – earnings from U.S. Shell Oil were up only 2 per cent. The sale of Californian geothermal properties realised $50m. Without that gain, North American operations would have been only marginally profitable.

Income from refining and marketing outside North America declined from £208m to £132m, but was reckoned to have improved substantially on an estimated current cost of supplies basis from £70m to £161m.

See Lex; details, Page 28

Longer ban sought on EEC Turkey aid

BY IVO DAWNAY IN BRUSSELS

SOCIALIST members of the European Parliament will press next week for an indefinite continuation of the freeze on an Ecu 600m ($508m) grant and aid programme to Turkey until the newly-elected Ankara Government fully restores all democratic rights.

The decision came yesterday after members of the 164-strong Socialist group of parties conducted confidential discussions in Brussels with Mr Bulent Ecevit, the former Turkish President banned from political activities by the military authorities.

Mr Ernest Glinne, the Socialist group chairman, said a resolution will be put to next week's parliamentary session at Strasbourg which, if passed, will freeze any payments of funds to Turkey until MEPs are satisfied that the Government is a true parliamentary democracy.

"The events of November 6 are no reason for rejoicing. It will take time to see whether real steps are taken by the Government to restore a genuine democracy," he said.

The European Parliament's minimum requirement should be an amnesty for political prisoners, the re-establishment of free trade unions and the restoration of freedom of the press, Mr Glinne added.

Earlier this week, the EEC Commission offered a guarded welcome to the election victory of Mr Turgut Ozal's Motherland Party, suggesting that funds could be released if some evidence of human rights improvements emerged.

However, if the Socialists win majority backing for their resolution, Parliament will be empowered to overrule moves by the Commission or the Council of Ministers to authorise any payments.

The outcome of the debate is likely to hang on the votes of Christian Democrat MEPs who are expected to split on the issue. But socialist officials were yesterday predicting a narrow victory.

If the freeze continues, the Socialists will press for a full public hearing into human rights in Turkey to which both the Turkish Government and Amnesty International would be invited to give evidence.

The socialists have also tabled a resolution calling for a moratorium on the installation of any further nuclear weapons in Europe by both Nato and the Warsaw Pact and the continuation of the Geneva disarmament talks.

World Weather

		°C	°F
Ajaccio	S	29	88
Akrotiri	S	22	72
Algiers	F	24	75
Amsterdam	S	14	57
Athens	F	16	61
Bahrain	S	28	82
Bangkok	R	29	84
Barcelona	T	18	64
Beirut	-	—	—
Belgrade	D	6	43
Berlin	Fg	7	45
Biarritz	C	15	59
Blackpool	S	13	55
Bordeaux	C	19	66
Brussels	S	13	55
Budapest	C	4	39
B. Aires	R	27	81
Cairo	S	23	73
Cape Town	-	—	—
Caracas	C	29	84
Casablanca	F	22	72
Copenhagen	C	9	48
Corfu	S	21	70
Dublin	C	13	55
Dubrovnik	F	18	64
Faro	F	20	68
Florence	S	14	57
Frankfurt	C	3	37
Funchal	C	19	66
Geneva	C	6	43
Gibraltar	F	19	66
Guernsey	S	15	59
Helsinki	-	—	—
H. Kong	S	26	79
Innsbruck	S	11	52
Inverness	C	7	45
Istanbul	C	11	52
Jersey	S	15	59
Jo'burg	S	25	77
Las Palmas	S	24	75
Lima	S	22	72
Lisbon	F	17	63
Locarno	S	12	54
London	S	14	57
Los Angeles	C	26	79
Luxembourg	Fg	3	37
Madrid	F	14	57
Majorca	C	15	59
Malaga	F	20	68
Malta	F	20	68
Manila	S	32	90
Miami	C	29	84
Milan	S	8	46
Moscow	C	2	36
Munich	C	2	36
Nairobi	-	—	—
Naples	S	17	63
New Delhi	S	27	81
New York	R	21	70
Nice	S	18	64
Oporto	R	15	59
Oslo	S	4	39
Paris	S	15	59
Prague	Fg	3	37
Reykjavik	C	4	39
Rio de J'o	S	33	91
Rome	S	18	64
Salzburg	C	5	41
Seoul	C	13	55
Singapore	C	31	88
Stockholm	S	3	37
Strasbourg	C	3	37
Sydney	C	22	72
Taipei	S	27	81
Tangier	R	19	66
Tehran	-	—	—
Tel Aviv	S	23	73
Tenerife	F	23	73
Tokyo	R	15	59
Toronto	C	12	54
Tunis	F	23	73
Valencia	S	18	66
Venice	S	13	55
Vienna	C	4	39
Warsaw	Fg	6	43
Zurich	C	4	39

Readings at mid-day yesterday:

C–Cloudy D–Drizzle F–Fair Fg–Fog H–Hail R–Rain S–Sun Sl–Sleet Sn–Snow T–Thunder

UK isolated on Community budget

Continued from Page 1

Danish ideas before today's meeting.

Earlier in the day, British demands for a net balance method of calculating the budgetary gap came under strong attack from M Gaston Thorn, the Commission President. He characterised the solution favoured by the UK, which would put precise limits on its net payments, as *"juste retour"* – Community jargon for a fairly exact balance between a country's payments and receipts.

The British ideas, M Thorn said, meant "the institutionalisation of *juste retour*, which would destroy the very foundations of the Community." There was no prospect, he said, of their being accepted by the parliaments of other member states.

That served to deepen M Thorn's unpopularity with the British delegation, a spokesman for which described M Thorn's remarks as "nonsense" and a "misrepresentation" of the British position. The UK was prepared to be a modest net contributor to the EEC burget, he emphasised.

Other delegations are still wondering how much flexibility there is in the British position, and there are some indications that Mrs Thatcher remains undecided about how far to move towards a compromise with her EEC partners.

Sir Geoffrey Howe was not ruling out yesterday a negotiation based on the Danish ideas, or on parallel ones produced by West Germany. But he is instisting that the end result must be an agreement resulting in a very large reduction in Britain's net payments. Without it, as he again warned his colleagues yesterday, the UK will prevent the Athens summit from adopting the much needed agreement to raise the legal ceiling of the EEC's budget revenues.

Published by The Financial Times (Europe) Ltd., Frankfurt Branch, represented by G.T.S. Damer, Frankfurt/Main, A.V. Hare, R.A.F. McClean, M.C. Gorman, B.A. Lawrence, D.E.P. Palmer, London, as members of the Board of Directors. Printer: Frankfurter Societäts-Druckerei GmbH, Frankfurt/Main. Responsible editor: C.E.P. Smith, Frankfurt/Main.

FINANCIAL TIMES
Friday November 11 1983

Nationalised French banks come back to bourse for funds

BY DAVID MARSH IN PARIS

FRANCE'S nationalised banks, in need of capital funds to support their expansionary activities, are about to make n comeback to the Paris Bourse.

The banks are exploring plans to launch titres participatifs (TPs) – non-voting loan stock intermediate in character between shares and bonds – in line with the issues already made by a string of state-owned industrial companies since spring.

The Finance Ministry, which realises the banks are under-capitalised by international standards but does not have the funds available to make capital injections is giving enthusiastic backing to the idea.

The first issue – by one of the top nationalised banks, but not necessarily one of the Big Three – could be made before the end of the year. But a number of technical problems still have to be sorted out.

TPs carry yields based partly on a fixed interest portion, which can vary each year in line with prevailing bond market yields, and partly on a measure on the borrower's financial performance, such as its profits, cash flow or turnover. Fixing the method of indexation for this second portion involves greater accounting difficulties for banks than arranging the formula in the case of industrial companies.

Five companies – Saint Gobain, Rhône-Poulenc, Thompson Brandt, Compagnie Générale d'Electricité and Renault – have so far launched TPs for a total amount of FFr 3.9bn ($0.5bn).

The first banking issue is likely to be for a much smaller amount than the latest issues for CGE and Renault of FFr 1bn each. It could be for around FFr 500m.

French commercial banks overall last year showed a decline in their net profits for only the second time in the past 30 years, above all because of much bigger provisions on foreign and domestic risks.

The decline may continue this year. Against this background – and because the Government is taking an increased share of the banks' profits in the form of dividends and taxes – the banks have been unable to plough back enough retained earnings to bolster their capital by the amounts required.

The Finance Ministry sees the issue of TPs – which gives the banks access to bourse capital without weakening state control – as an ideal compromise solution.

The first five TPs have met strong investor demand in line with the general powerful showing of the Paris Bourse this year, although interest has flagged for the last two issues.

Because the first batch of industrial company TP has been issued more quickly than expected, the Finance Ministry sees a launch "window" opening up towards the end of the year which could be filled by the banks.

General Dynamics profits jump 35%

BY TERRY DODSWORTH IN NEW YORK

GENERAL DYNAMICS, the leading U.S. defence contractor, has reported a 35 per cent increase in earnings for the third quarter as it continues to benefit from the impact of heavy U.S. Government defence spending.

Net profits from continuing operations emerged at $76.7m or $1.43 a share against $56.7m or $1.03 a year ago. Last year, the discontinued shipbuilding activities made a loss of $5.3m, leading to a final net outcome of $51.4m or 94 cents a share.

Over the first nine months net profits came to $206.2m or $3.78 a share against $66.4m or $1.75 a year ago. Losses from discontinued operations in the first nine months of 1982 amounted to $27.7m, leading to a final net figure of $60.7m. These results included a $85m write-off for shipbuilding cost overruns.

Sales in the third quarter came to $1.7bn against $1.6bn, and in the nine-month period to $5.5bn compared with $4.3bn.

Woolworth disposals boost third quarter

BY OUR NEW YORK STAFF

F. W. WOOLWORTH, the U.S. retailer, has shown further benefits from last year's wide-ranging disposal programme, with an increase in net third-quarter earnings to $20m, against $14m a year ago.

The 1982 results have been restated to take account of the disposal of the U.S. Woolco operations and the sale of the group's 52.6 per cent stake in its UK subsidiary.

On this basis, nine-month earnings were $37m, or $1.16 per share, against $12m, or 36 cents a share, a year ago.

Taking in losses on discontinued operations, the third-quarter deficit last year amounted to $428m, including provisions against disposal losses, while the nine-month deficit amounted to $453m.

Sales in the third quarter came to $1.4bn, against $1.2bn, and over the nine-month period amounted to $3.8bn, compared with $3.6bn.

The company said yesterday that interest charges declined to $25m in the third quarter, against $29m in 1982. By the end of its fiscal year in January, it expects to eliminate all short-term debt and generate short-term investments of more than $100m.

Mr John Lynn, chairman, said that strong domestic sales for the new school year and Hallowe'en periods had helped third-quarter results.

U.S. insurer recovers

BY OUR NEW YORK STAFF

ALEXANDER and Alexander of the U.S., the world's second largest insurance broker, swung back to profits of $8.3m or 25 cents a share in the third quarter of this year, compared with a loss of $36.4m in the comparable period of 1982.

The accounting changes, however, reduced the loss figure by about $2m. The same period of 1982 also included a $40m charge for a reduction in net tangible assets of the UK-based Alexander Howden Group, which had been acquired earlier in the year.

For the first nine months of this financial year, Alexander and Alexander is showing net earnings of $20.8m or 63 cents a share, against a loss of $5.1m a year ago. Revenue has fallen from $427.8m last year to $417m, and over the three-month period is down from $141m to $135m.

Extraordinary credits relating to tax benefits from use of prior year loss carry-forwards accounted for $3.5m of profits over the nine months, while changes in the calculations of the group's largest pension costs increased net income by $2.5m over the same period.

In the third quarter, tax benefits accounted for $1.2m of extraordinary credits, while the change in pension costs yielded $800,000.

Mr John Bogardus, chairman, said yesterday that while third-quarter results had improved, they continued to be influenced by the highly competitive insurance market and declines in investment income and underwriting results.

Overseas rule lifted for Elkem

BY FAY GJESTER IN OSLO

ELKEM, the Norwegian aluminium and ferro alloys group, has been given dispensation from a Norwegian rule which limits foreign ownership of its shares to a maximum 20 per cent of total share capital.

The authorities have agreed to raise this ceiling to 33 per cent – a move that will facilitate the NKr 100m ($13.5m) rights issue which the company is floating next month and make it easier for Elkem to strengthen its capital base in the future. At present, only about 5 per cent of Elkem's shares are owned by non-Norwegians.

The group says it applied for the dispensation because of its "increasing international involvement," which includes three ferro alloys plants in the U.S. and two steel and rolling mills in the UK. Most of its production is sold outside Norway.

Philips to decide on future of V2000

By Walter Ellis in Amsterdam

PHILIPS, the Dutch electronics group, is to make an "important" announcement today on the future of its V2000 home video system, which has been under severe and growing pressure from the rival Japanese VHS format.

Rumours in Amsterdam say that Philips is continuing to make substantial losses on the V2000 and may have had to write off substantial sums spent on the project in the third quarter of this year. Results for the three months are due to be published next Thursday, but Philips has denied that unforeseen write-offs are included.

On the Amsterdam Stock Exchange, Philips' share price has fallen this month from just under Fl 45 ($15) to a little under Fl 42. It was already trading somewhat below par after disappointing second-quarter results, particularly in the sound and vision sector.

At the end of last month, Matsushita of Japan announced that it had granted Philips and its associate, Grundig of West Germany, the right to its VHS technology for use in Philips-designed machines for sale outside Europe.

From its Eindhoven headquarters, Philips insisted that it was merely considering an "offer" from Matsushita among other possibilities. The Japanese group came back expressing astonishment that Philips had issued such a statement since, according to Matsushita, the initiative had come entirely from the Dutch.

Whatever the truth about who approached whom, the fact that Philips was ready to move into the manufacture – as distinct from the assembly – of VHS machines for its non-European video markets appeared of considerable significance.

Certainly, it was less than a vote of faith in V2000, which, although it has slowly captured between 13 and 20 per cent of the European market, is effectively unavailable in North America, Asia and Australasia.

Last week it was learned that Philips had asked the European Commission to limit the exports of Japanese video recorders to Europe to 2.65m units in 1984. Philips believes that European video sales next year will total 5.3m units and wishes to ensure that it holds on to a significant market share. Japanese manufacturers, meanwhile, have estimated that Philips and Grundig together will have sold only 700,000 V2000 machines in 1983.

Paul Betts in Paris and James Buxton in Rome look at the CIT-Alcatel agreement

Breakthrough for European electronics

THE INDUSTRIAL and commercial collaboration deal between Olivetti, the Italian office equipment group, and CIT-Alcatel, the telecommunications and electronics subsidiary of the nationalised French CGE conglomerate, already seemed n little *dépassé* by the time the chairmen of the two companies announced the agreement in Paris last week.

The agreement had, in fact, been initialled some months earlier. It had followed months of contacts and discussions between the two groups and had been held up while Olivetti and the French Government negotiated the financial framework whereby Paris would sell back to Olivetti 22.4 of its 32.4 per cent stake in the Italian group. It had been overtaken by the time it was announced by a host of other new developments in the fast-moving electronics and telecommunications business.

In fact, during the announcement by the companies of the deal last week, more interest focussed on the discussions the two groups were holding with other companies like AT&T in the case of Olivetti and GEC, Plessey, Racal and even IBM in the case of CIT-Alcatel.

The deal has also been overshadowed in France by the recent decision to merge the telecommunications businesses of Thomson and those of CIT-Alcatel into a new telecommunications group controlled hy the CGE subsidiary.

There has also been the suspicion all along that Olivetti agreed to the industrial and commercial collaboration with CIT-Alcatel as much for political expediency as for industrial logic. Since the nationalisation of Saint Gobain, the glassmaker which originally acquired the 32.4 per cent stake in Olivetti. The Italians have wanted to cut the French stake.

It would be misleading to underestimate the importance of the deal between the two companies. From the French point of view it is consistent both with the designs of French industrial policy in general and those of CIT-Alcatel in particular.

The centrepiece of the agreement is the construction in France of n plant where Olivetti and CIT-Alcatel will jointly produce n new generation of electronic typewriters. Production is scheduled to start in four years' time. The plant will produce 100,000 electronic typewriters a year and create several hundred new jobs.

It is the first time two European groups have entered into a major joint production agreemeot in the office equipment sector, and is n response to French Government calls for collaboration in the electronics industries to enable European enterprises to remain internationally competitive.

The venture will help strengthen CIT-Alcatel's range of office equipmeot products. The French company's Friden subsidiary in the U.S. and its Roneo subsidiary in the UK have been losing money, partly because they have lacked suitable products to market and commercialise. It will also fill an important gap in CIT-Alcatel's French product line. CIT-Alcntel will own 51 per cent of the joint electrooic typewriter venture, with Olivetti owning the other 49 per cent.

The other aspect of the pact is a commercial agreemant whereby CIT-Alcatel will market Olivetti products through its distribution network and Olivetti will do the same for CIT-Alcatel products, especially the French company's videotex terminals and other video information products.

CIT-Alcatel emphasises that the industrial agreement is very precise in nature and restricted to the office equipmant field. But although the French company does not envisage enlarging the agreement into the telecommunications sector as well, it is clear the deal also fits into the hroader context of the increasing convergences between telecommunications and office equipment industries and technologies.

This concept of convergences has become n preoccupation for Cit-Alcatel, which like other telecommunications companies now wishes to establish ties with other electronics and computer groups. The deal with Olivetti could eventually lead to bigger things, although the French group, like Olivetti and all its other major rivals, is holding talks with many other groups.

To this end, both Olivetti and Cit-Alcatel have agreed to clauses in the agreement to enable the two companies to part company in the event one of them enters into a deal with a rival group leading to a conflict of interest.

Before the agreement was announced last week, there was considerable agitation in Paris over the talks Olivetti is holding with AT & T, recent collaboration deal with Philips.

As in the case of the Thomson-CIT-Alcatel telecommunications merger, the French group, led hy M Georges Pebereau, nppears to come out strongly in the Olivetti deal. With the Thomson merger, CIT-Alcatel will become the dominant telecommunications compeny in France and believes it has achieved, at relatively little cost, the economies of scale necessary to compete internationally and to negotiate in a strong position joint ventures with its main international rivals.

With Olivetti, it has secured a product it needed, it is getting a new plant in France, and has established a commercial link-up with the premier European office equipment enterprise.

Olivetti chief moves to reduce French stake

FOR THE past few days, Sig Carlo de Benedetti, chairman of Olivetti, has been directing a complex operation which will eventually lead to the placing of shares worth about L190bn ($120m).

It will leave him in control of the largest single hlock of shares in the company and give Olivetti n more balanced shareholding structure.

The 33 per cent stake in Olivetti held hy French interests was always a little overwhelming. The original attraction of the move was to bring in new funds to help to reduce the company's heavy debt. But as early as April 1981, less than a year after Saint Gobain bought in, Sig De Benedetti said he would be disappointed if, within a year, it had not agreed a substantial industrial co-operation venture with Olivetti to justify its stake.

A few weeks later, the Socialists came to power in France with firm plans to nationalise Saint Gobain and the entire French electronics industry was thrown into confusion. Sig De Benedetti resolved that the French stake should be reduced in proportion to what industrial co-operation could be agreed. As one of the upholders of private enterprise in Italy, he declared bluntly that Olivetti did not want a nationalised company to have such a hig stake.

Now that the remaining 10 per cent of Olivetti held hy the French Government has been allocated to CIT-Alcatel, with which Olivetti has signed an industrial agreement for joint manufacture of electronic typewriters, the question is: Who will own the 23 per cent of the company the French are relinquishing?

Half was immediately taken over last week by CIR International, the Luxembourg-based offshoot of CIR, the industrial holding company controlled hy Sig De Benedetti, which already held about 16 per cent of Olivetti.

According to Olivetti, CIR International immediately transferred about half of the newly acquired shares to an American investment fund and retained the rest.

As for the other half of the stake, CIR International has on option which expires in "a few months" and inteods to place it with "Italian institutional investors". Sig De Benedetti said last week he expected no difficulty with that.

Neither the identity of the U.S. investment fund, oor of the possible Italian investors is known. It is not clear how much of the former French stake CIR intends to hold on to permanently, which would raise Sig De Benedetti's personal stake in the company he runs.

What Olivetti does say, however, is that it has no plans to hring any other company with which it makes an industrial agreement into the ownership structure. In other words, if the persistent rumours of an impending industrial agreement between Olivetti and AT & T are true, this would not mean AT & T taking equity in Olivetti.

The two companies have confirmed that they are talking. Sig De Benedetti has for some time been seeking a major U.S. partner, to give Olivetti better access to the U.S. market and to strengthen its product line, which is relatively weak in telecommunications equipment.

Sig De Benedetti evidently considers that Olivetti is sufficiantly attractive as a partner in technical co-operation not to need to offer equity participation as well, and sufficiently attractive as a financial investment to be able to offer its equity fairly widely, rather than let one shareholder build up a preponderant stake, as Olivetti did with the French.

The facts seem to bear him out. Ing. C. Olivetti, the parent company, made net profits of L94.1bn on sales of L1,548.6bn last year, a level of profitability which is high by Italian standards. Its halance sheet is strong and it is now reckoned to be the leading European-owned data processing equipment manufacturers. When Sig De Benedetti took over in 1978, Olivetti was barely profitable and had not paid a dividend for years.

Earnings setback for Kodak

By Paul Taylor in New York

EASTMAN KODAK, the world's largest photographic products manufacturer, has suffered a sharp fall in third-quarter earnings, from $412.1m, or $2.54 a share, to $229.1m, or $1.39.

Kodak, which has been cutting jobs and redeploying assets, said operating profits in the third quarter fell by 38 per cent to $427.7m from $686.3m, partly because of a $80m stock adjustment.

Adverse foreign currency fluctuations, higher depreciation and material costs also contributed to the decline.

The group's worldwide sales for the third quarter fell from $3.11bn to $3.07bn.

Mr Colby Chandler, chairman and chief executive, and Mr Kay Whitmore, president, said: "Kodak's third quarter reflects the continuation of a number of negative factors."

They added, however: "We have characterised 1983 as a year in which our results will bottom out. That process continues. We look forward with confidence to 1984 as a year of business recovery."

Kodak's net earnings for the nine-month period fell hy 47 per cent to $447.9m, or $2.71 a share, from $841.7m or $5.16, on sales which declined by 2 per cent to $7.6bn from $7.78bn.

For the third quarter, Kodak's U.S. and Canadian photographic units and all its chemicals operations reported results for an additional four weeks, making a total of 16 weeks, and the 1982 figures have been restated for comparative purposes.

Coleco to lift price of home computer

By Louise Kehoe in San Francisco

COLECO, the U.S. electronics manufacturer, yesterday followed Atari's lead by raising the price of its home computers. The wholesale price of the new Coleco computer, the Adam, will go up by $125 to $650 from January 1.

Coleco's move follows Atari's announcement of a $40 increase in the prices of its 600 XL and 800 XL home computers and indicates a truce in the price war recently waged in this market.

The increases come after a year of price cuts that have driven profit margins down to "suicidal levels," according to industry sources. Texas Instruments' 99/4A home computer, which has now been discontinued by the manufacturer, is selling for as little as $49. When originally introduced in 1979, it sold for $1,150.

Coleco said it had decided to raise its price after Texas Instruments announced last month that it was dropping out of the home computer market. Coleco also cited the price of IBM's new home computer, the PC Jr, as a sign that consumers are willing to pay more for home computers. The IBM PC Jr announced last week, comes in two versions. The basic version will sell for $669, while a more advanced disk-drive version is priced at $1,269.

Another factor in the new upward price trend is a general shortage of all types of home computers. Atari says it has already sold out of its 600 XL and 800 XL models for this year, and dealers have reported shortages of Commodore International's top selling Commodore 64, which holds over 40 per cent of the market.

Union Carbide joint venture

By Our New York Staff

UNION CARBIDE, the U.S. group whose Unipol process has revolutionised the production of polyethylene, is teaming up with Shell Chemical, the country's second biggest producer of polypropylene, to license a new production system which, it is claimed, will reduce polypropylene production costs by as much as a third.

Polypropylene, along with polyethylene, is one of the major constituents of the world plastics industry and is used in making such items as carpet fibre, food packaging, housewares, rigid containers and parts for domestic appliances and cars.

North American Quarterly Results

ADOLPH COORS

Third quarter	1983	1982
	$	$
Revenue	357m	307m
Net profits	31.5m	21m
Net per share	0.90	0.60
Nine months		
Revenue	871.2m	722.9m
Net profits	82.7m	38.1m
Net per share	2.36	1.09

H. F. AHMANSON

Third quarter	1983	1982
	$	$
Revenue	595m	512.5m
Net profits	47.7m	6.5m†
Net per share	1.73	0.22†
Nine months		
Revenue	1.61bn	1.49bn
Net profits	81.6m	60.7m†
Net per share	2.97	2.55†

† Loss

ALCO STANDARD

Fourth quarter	1982-83	1981-82
	$	$
Revenue	747.8m	644.1m
Op. net profits	19.4m	17.1m
Op. net per share	0.61	0.60
Year		
Revenue	2.8bn	2.6bn
Op. net profits	87.2m	84.3m
Op. net per share	2.72	2.60

ALGOMA STEEL

Third quarter	1983	1982
	C$	C$
Revenue	217.9m	192.7m
Net profits	†25.4m	†39.8m
Net per share	†2.80	†3.05
Nine months		
Revenue	599.1m	713.9m
Net profits	†100.5m	†2.7m
Net per share	†7.98	†0.65

† Loss

ANDERSON, CLAYTON

First quarter	1983-84	1982-83
	$	$
Revenue	327m	328m
Net profits	8.3m	3.4m
Net per share	0.67	0.27

BC FOREST PRODUCTS

Third quarter	1983	1982
	C$	C$
Revenue	226.6m	185.3m
Net Profits	5.9m†	24.6†
Net per share	0.14†	—
Nine months		
Revenue	566.9m	503.2m
Net profits	28.3m†	40.9m†
Net per share	0.59	—

† Loss

BENEFICIAL

Third quarter	1983	1982
	$	$
Revenue	—	—
Net profits	27m	20.2m
Net per share	1.02	0.70
Nine months		
Revenue	—	—
Net profits	78.7m	78.8m
Net per share	2.93	2.94

CANADIAN PACIFIC ENT.

Third quarter	1983	1982
	C$	C$
Revenue	—	—
Net Profits	15.8m	3.1m
Net per share	0.10	0.06
Nine months		
Revenue	—	—
Net profits	26.4m	136.4m
Net per share	0.17	0.86

CANADIAN TIRE

Third quarter	1983	1982
	C$	C$
Revenue	500.4m	452.4m
Net profits	12.9m	15.4m
Net per share	0.85	1.08
Nine months		
Revenue	1.4bn	1.33bn
Net profits	36.4m	45.2m
Net per share	2.45	3.13

CAMFOR

Nine months	1983	1982
	C$	C$
Revenue	77m	59m
Net profits	26.3m†	81m†
Net per share	—	—

† Loss

CENTEX

Second quarter	1983-84	1982-83
	$	$
Revenue	292.1m	245.6m
Net profits	13.2m	8.7m
Net per share	0.66	0.44
Six months		
Revenue	527.8m	471m
Net profits	25.9m	16.3m
Net per share	1.30	0.83

COASTAL

Third quarter	1983	1982
	$	$
Revenue	1.37bn	1.32bn
Net profits	24.1m	21.2m
Net per share	1.04	0.88
Nine months		
Revenue	4.31bn	4.32bn
Net profits	65.4m	40m
Net per share	2.56	1.70

GENSTAR

Third quarter	1983	1982
	$	$
Revenue	531.6m	524.4m
Net profits	62.1m	†1.9m
Net per share	1.59	†0.20
Nine months		
Revenue	1.35bn	1.31bn
Net profits	82.5m	†47m
Net per share	2.30	†2.01

† Loss

HUSKY OIL

Third quarter	1983	1982
	C$	C$
Revenue	—	—
Net profits	16.6m	17.8m
Net per share	0.17	0.20
Nine months		
Revenue	1.22bn	1.16bn
Net profits	25.5m	†2.4m
Net per share	0.25	—

† Loss

HYDRO-QUEBEC

Nine months	1983	1982
	C$	C$
Revenue	2.66bn	2.42bn
Net profits	584m	597m

A. C. NIELSEN

First quarter	1982-83	1981-82
	$	$
Revenue	175.8m	168.8m
Net profits	15.5m	13.8m
Net per share	0.69	0.62
Year		
Revenue	690.3m	643.8m
Net profits	49.4m	44.2m
Net per share	2.20	1.97

NOVA

Third quarter	1983	1982
	C$	C$
Revenue	891m	803m
Net Profits	15m	23m
Net per share	0.12	0.20
Nine months		
Revenue	2.88bn	2.46bn
Net profits	44m	39m
Net per share	0.37	0.32

SOUTHERN COMPANY

Nine months	1983	1982
	$	$
Revenue	4.05bn	3.78bn
Net profits	426m	390m
Net per share	1.96	1.98

WALT DISNEY PRODUCTIONS

Fourth quarter	1982-83	1981-82
	$	$
Revenue	362m	285m
Net profits	24.3m	28.1m
Net per share	0.70	0.84
Year		
Revenue	1.3bn	1.03bn
Net profits	93.1m	100.1m
Net per share	2.70	3.01

GEORGE WESTON

Nine months	1983	1982
	C$	C$
Revenue	5.5bn	5.25bn
Net profits	51.4m	47.7m
Net per share	3.72	3.14

INTL. COMPANIES & FINANCE

Peter Montagnon reports on a more flexible approach to funding

World Bank casts its net wider

"THERE ARE no longer any financial constraints on how much we can borrow." So says Mr Eugene Rotberg, treasurer of the World Bank—although it is unlikely that many new issue managers of Swiss franc bonds would agree.

In recent years the World Bank, which is the largest single borrower in international fixed rate bond markets, has often been accused of saturating the Swiss capital market. In its last fiscal year to June 30 1983 it borrowed $10.3bn worldwide; in the current year borrowing is again expected to range between $10bn and $10.5bn.

At these sort of levels it is not just the Swiss franc market which risks being saturated. So what justified Mr Rotberg's optimism about the bank's borrowing capacity at a meeting with journalists in London yesterday?

First, he says the bank, whose shareholders include all major industrial country governments, has benefited from the recession and developing country debt crisis. Investors regard it as a particularly safe risk in troubled times. Secondly, and more important, the World Bank has embarked on some major changes in its borrowing strategy which will allow it to tap hitherto undreamt-of sources of funds.

The new strategy has been made possible by the bank's decision to move to a more flexible lending rate policy last year. By changing its lending rate every six months the bank found it could move for the first time into short-term markets, where interest rates fluctuate frequently. Previously it had stuck to fixed rate, medium- and long-term finance.

Already the bank's short-term borrowing programme in the U.S. money markets has been raised from an initial $1.5bn to $2bn. Now it has decided to move into other forms of short-term and floating rate finance.

In two decisions disclosed by Mr Rotberg yesterday it is to start issuing floating rate notes and to launch a new programme of borrowing from member central banks for periods of one year. Both programmes will initially be relatively small—Mr Rotberg said he currently expects the bank will launch no more than $500m in floating rate notes over the next six to seven months. The central bank borrowing programme is set at $750m.

But both forms of borrowing obviously stand to play a gradually larger role as the bank's overall borrowings increase. Within a year it is expected to have total outstanding borrowings of some $50bn—$10bn more than the foreign debt of Argentina. Inevitably that sort of money cannot be raised entirely by direct fixed rate borrowings in long-term markets.

Because its main purpose is long-term development lending, the World Bank should not normally need to have recourse to short-term borrowing. Mr Rotberg says, however, that he *does not* regard the new borrowings as essentially short-term as they can be continuously renewed. By borrowing for one year from central banks, he believes he is tapping a permanent source of funds. The same applies to short-term borrowing in the U.S. money markets. "I would not borrow 10-day money in the discount note market unless I felt it could be rolled over for 10 years," he says.

Moreover, the World Bank plans to make an increasingly sophisticated use of the currency and interest rate swaps which it helped pioneer in the Eurobond market. Part of the proceeds of its floating rate note issues, for example, will be swapped not only for fixed rate debt, but into other currencies as well.

Here the bank feels it has hit on a particularly advantageous idea. It intends to issue the floating rate notes on a margin over U.S. Treasury Bills which historically carry a much lower and less volatile rate of interest than Eurodollar deposits, the normal interest rate reference for floating rate notes. Mr Rotberg would like to swap the proceeds into local currency debt incurred by "a very wide number of commercial banks and industrial corporations" whose balance sheet positions now require them to seek a growing amount of long-term floating rate dollar liabilities.

Banks in Switzerland, for example, can float domestic bond issues at rates well below those commanded by any foreign borrower in the Swiss market. By swapping that debt with the bank's own dollar floating rate notes, Mr Rotberg believes that both sides will benefit in ending up with the right currency at the cheapest possible cost. The bank itself still believes that the greatest advantage it can *offer* its developing country customers is a low nominal interest rate even if the currencies it is lending are the so-called hard ones—Swiss francs, D-marks and yen.

Over the five years to June this year Mr Rotberg calculates that this policy has saved developing country borrowers the equivalent of some $2.5bn in foreign exchange costs alone compared with the amount they would have had to pay if they had borrowed dollars. On top of that is the saving from lower interest costs of borrowing yen, Swiss francs and D-marks. The difference with dollars amounts to more than 4 per cent a year.

So far the bank has already made extensive use of currency swaps to maintain this currency concentration. In the first four months of this fiscal year its total borrowings were around $4bn and more than $800m of that was swapped, mainly out of dollars, Canadian dollars and Ecus and into Swiss francs, D-marks, guilders, sterling and Austrian schillings.

As a result the overall cost of its borrowing in the first four months has been reduced through swaps from 9.65 per cent to 8.83 per cent. This in turn should help lead to a reduction in the bank's lending rate when it is next reviewed.

The new borrowing mechanisms have already led to a sharp increase in the bank's liquidity — it is now $13bn and should rise to around $15bn by the end of the fiscal year. The bank invests its liquidity very profitably, and unlike other institutions is somewhat embarrassed about its profits, which last year rose to a record $750m. This year, Mr Rotberg *says that profits are to be kept* down — but it clearly will not be because borrowing costs have gone up.

Korean loan scandal trials start

By Ann Charters in Seoul

KOREA'S BANKING sector appeared under siege this week as the first of two trials involving multimillion dollar loan scandals affecting two banks started. Meanwhile a medium-size conglomerate from the industrial central city of Taegu, President Chun Doo Hwan's home town, defaulted on loans totalling 25.1bn won ($32m) to a third commercial bank.

While the investigation into Korea First Bank's default is not yet complete, it is still not clear how the eight companies in the Kwangmyong group became so over-extended. However, an official of the bank, one of the country's five largest, said it would not be adversely affected since it had made provisions of 27bn won to cover *the bad loans.*

Six of the companies, involved in construction and timber, are to declare bankruptcy—a rare occurrence in this country where failing businesses are usually absorbed by others. The remaining two companies involved in short-term finance are to continue to operate under bank supervision.

At this week's trial of 22 people charged as part of the Myungsung scandal, Mr Kim Chul-Ho, the chairman of the failed Myungsung group, noted for fast growth in the leisure and recreation fields, is accused of illegally obtaining $135.6m from a branch of the Commercial Bank of Korea. The assistant manager of the branch, also a defendant, is charged with funnelling funds from the unofficial money market to Mr Kim.

Mr Kim is also charged with neglecting to pay $6.4m in taxes while he expanded his businesses. A former Minister of Transportation, Mr Yoon Ja-Jung, is accused of taking $110,000 in bribes from Mr Kim. Also on trial in the same scandal, which surfaced in August, are eight government officials and bankers.

Soon those involved in the Youngdong Development Company scandal, which erupted in October, are also to be brought to trial. This saw the arrest of the then president of the Cho-Heung Bank, Korea's oldest commercial bank with an 85 years history, on charges of taking 200m won in bribes to help the company obtain promissory notes beyond its legal limits. Another 28 former bank officials and company executives from Youngdong and another firm have also been charged.

Not long after this last scandal broke the heads of several major banks were replaced and the head of the Office of Bank Supervision was changed. The governor of the Bank of Korea, the country's central bank, has also been replaced — apparently to take responsibility for the three multimillion dollar financial scandals that occurred within the past 18 months the first of which took place in May 1982 and is known as the Madam Chang kerb market scandal.

The kerb market, a private money market where interest rates are not controlled, continues to play an important role in each successive scandal. It is an extremely important source of funds in a very tight market.

Nat. Commercial Bank improves

BY LACHLAN DRUMMOND IN SYDNEY

NATIONAL Commercial Banking Company of Australia increased net earnings by 7.6 per cent to A$160.9m (US$146.9m) in its year to June 30. A 25 per cent rise in the second half more than offset a 8.8 per cent first half decline.

The second half contributed A$85.1m to earnings, compared with A$68.15m in 1981-82. The first half profit of A$75.8m was down from A$81.3m previously.

The impetus to annual and second half growth came from its core banking group operations. The sector contributed A$129.4m to the annual total compared with A$112.9m previously. This 14.5 per cent advance included a 36 per cent improvement for the closing six *months from A$49.4m* to A$67m.

This mostly reflected lower and less volatile interest rates in the final period and an ability by its trading bank operations to improve margins. Savings bank margins narrowed over the year.

The contribution of finance subsidiaries was down by 16.5 per cent to A$28.3m for the year. Within the banking total other operations including its merchant banking operation jointly owned with Chase Manhattan, doubled their contribution to A$12.5m.

Gross revenue for the group *for the year grew* by 14.5 per cent to A$2.77bn, including a 16 per cent *improvement* in interest received to A$2.37bn. Interest paid, meanwhile, grew by 17.6 per cent to A$1.69bn, in part reflecting a continued decline in the proportion of trading bank deposits carrying no interest.

The profit was struck after depreciation of A$33.4m (A$28m) and tax of A$104.2m (A$101.3m) and excluded A$10.1m extraordinary profits.

The net profit represented a 5.8 per cent return on gross revenues, down from 6.2 per cent in the previous year.

The dividend is unchanged at 23 cents with a steady 12 cents *a share final payment.*

Sharp drop in earnings at Hino Motors

By Yoko Shibata in Tokyo

HINO MOTORS, Japan's leading heavy- and medium-duty truck maker, and a member of the Toyota Motor group, has announced a sharp fall in pre-tax profits, down by 37.5 per cent to Y3.5bn (U.S.$14.8m) *in* the first half year to September 30.

Unconsolidated net profits also fell, by 20.7 per cent to Y2.38bn. Sales were down 12.4 per cent at Y179bn. Net profits per share were Y7.62, compared with Y9.73.

Hino sold 23,780 large- and medium-sized trucks, down by 3,721 units from the previous year. Sharp falls in exports to Algeria, Saudi Arabia and Iraq were the *main reason for the decrease.* Export sales of all kinds declined by 5,456 units to reach 8,053 vehicles, although sales of small trucks rose by 11 per cent to reach 161,061 units.

In the current half year, ending March 1984, Hino expects a recovery in domestic sales and exports — with 2,000 trucks ordered already by Algeria. As a result, large- and medium-sized truck sales for the *full* year are expected to reach 55,100 units, down only slightly on last year.

The company's sales of small trucks to Toyota for the current year are expected to reach 317,700 units, a rise of 3 per cent. However, intensified competition is reducing margins and full year pre-tax profits are seen as falling by 21 per cent to Y6.5bn. Net profits are also expected to fall, by 13 per cent, to Y4.15bn.

Hino is the first Japanese company to start knockdown kit production of medium sized trucks in the U.S.

● Nippon Express, Japan's largest express delivery service, had a parent company net profit of Y3.41bn, against Y3.1bn previously, in the six months ended September 30.

Pre-tax profits were Y7.15bn, against Y6.51bn, on sales up marginally from Y366bn to Y379bn. The interim dividend is unchanged at Y2.50.

For the current year, to March 1984, *the company is* forecasting a rise in net profit to Y6.2bn, from Y5.87bn, a pre-tax profit of Y16.5bn against Y14.18bn. Sales are seen as increasing to Y776bn from Y744bn last year. The term-end dividend is forecast at an unchanged total of Y5.

Leading synthetic fibre manufacturer advances

BY OUR TOKYO CORRESPONDENT

PRE-TAX profits of Toray, Japan's largest synthetic fibre manufacturer, rose by 5.8 per cent to Y9.1bn (U.S.$38.8m) in the first half ended September 30.

Unconsolidated net profits were Y7.23bn, up by 26 per cent, on sales of Y301bn, an increase of 9.3 per cent. Net profits per share moved up to Y6.07 compared with Y4.85 previously and the interim dividend is un*changed at Y2.75.*

Toray's sales of polyester rose by 10.7 per cent to account for 36.7 per cent of turnover, thanks to rising exports of polyester fibres to the U.S. Sales of nylon also improved by 10 per cent to account for 20.2 per cent of the total thanks to good demand from tyre-cord makers.

The company is well diversified into non-textile sectors. Sales of film rose by 10 per cent to account for 13.4 per cent of turnover because *of* active demand from VCR tape makers. Sales of plastic were also 9 per cent higher accounting for 8.8 per cent of the *total. Sales of* carbon fibre rose strongly by 20 per cent.

In the current half year, ending March 1984, the company sees a strong recovery of demand for textiles in the domestic market. Full year sales are expected to reach Y610bn, up by 8 per cent and pre-tax profits are projected at Y20bn, a rise of 13 per cent. The annual dividend will remain at Y5.75 including the half-year payout.

Lower occupancy rates hit South African hotel group

BY OUR JOHANNESBURG CORRESPONDENT

SHARPLY LOWER room occupancy rates restrained the performance of Southern Sun, the South African hotel and Casino group, in the six months to September 30, 1983.

The group's average occupancy rate fell in line with industry trends, to 65 per cent from 72 *per cent in the* corresponding period of 1982. Even so, first-half turnover increased by 9.5 per cent to R105.2m ($90m), from R96.1m. Operating profit before interest and tax fell 5.9 per cent to R21.6m from R22.9m.

Mr Peter Bacon, managing director, does not expect economic conditions to improve in the second half of this financial year and says that trading con*ditions will continue to* be difficult.

In addition, the second-half performance will be affected by the sale of a 51 per cent interest *in the group's hotel and casino* operations, which are not located in South Africa, with effect from October 1.

An unchanged interim dividend of 14 cents has been declared while first-half earnings fell to 20.3 cents a share from 20.9 cents.

هكذا من الأصل

IMPORTANT INFORMATION FOR THE SHAREHOLDERS OF GULF OIL CORPORATION

Gulf®

By now you should have received Gulf's Proxy Statement for its Special Meeting of Shareholders to be held on Friday, December 2, 1983 to approve your Corporation's plan of reorganization. **Your Board of Directors unanimously recommends this proposal as being in the best interests of Gulf shareholders.**

You may also have received soliciting material from several shareholders calling themselves "Gulf Investors Group" and headed by T. Boone Pickens, Jr. of Mesa Petroleum. You should know that this Pickens-headed opposition group did not own a single share of Gulf stock until three months ago. Now, this group wants Gulf shareholders to keep cumulative voting, which would make it possible for the group to elect one or two members to Gulf's Board without the need for the favorable vote of any other shareholder. In the opinion of Gulf management, directors elected that way are likely to become representatives of a particular interest group.

By voting FOR your Company's proposed reorganization, you can help protect against a divided Board of Directors and expect that each member of your Board of Directors will continue to act in the interest of all Gulf shareholders.

To abstain from voting is the same as a vote against the proposal since it is necessary that more than 50% of the Company's outstanding shares be voted FOR the proposal for it to be approved.

We emphatically urge you to reject the Pickens opposition group. A closer look at Pickens' past statements and actions would seem to indicate that his interests and that of his group are not the same as those of the rest of Gulf's shareholders.

Indeed, as recently as October 19, 1983, **on a Cable News Network interview, Pickens flatly stated:** *"I just work for one crowd; that's the Mesa shareholder."*

THE MESA GROUP: HIT AND RUN?

Why is the Mesa group opposing your Board's proposal? In answering that question it is important to consider the following:

■ **Newsweek** reported on October 31, 1983 that *"most experts guessed that Pickens was out for a quick killing in Gulf stock,"* using *"hit and run methods"* to force *"Gulf management to buy him out at a steep premium."*

■ **The Wall Street Journal** of May 2, 1983 referred to Mr. Pickens' *"image among some observers as somewhat of a corporate raider and profiteer"* and then quoted Pickens, referring to a different situation involving other Mesa investments, *"Sure, we're opportunistic. We're out to make money for [Mesa's] shareholders."*

■ According to **The Wall Street Journal** on November 2, 1983, *"Mr. Pickens' biggest credibility problem is the suspicion that he will hit and run—leaving those who followed him into the stock high and dry."* **Indeed, the Mesa group has borrowed so heavily to buy their Gulf shares that, in the opinion of Gulf management, it is questionable whether they can afford to be more than a short-term investor.** The same Wall Street Journal article reported that Mesa itself faces net annual interest costs of $24,000,000, or $67,000 a day, to hold its Gulf shares.

■ **The Economist** said in its October 29, 1983 issue, *"Mr. Pickens' best hope is to make such a nuisance of himself that Gulf, like Superior Oil, will grow weary and buy him out at a handsome profit."* Speaking of Pickens' use of such a *"strategy"* in the past, an article in the **San Francisco Chronicle** on October 18, 1983 referred to it as ***"corporate blackmail".***

■ **The Mesa group has hired investment bankers for a retainer fee of $1,000,000** as part of its campaign against Gulf. But under another part of the same arrangement **those bankers will be paid a fee of up to $7,500,000 (including the retainer) if Mesa sells out its Gulf shares at a profit or a takeover bid is successfully made for Mesa itself.** In the opinion of Gulf management, this may mean that there is substance to the **Washington Post's** speculation on October 30, 1983 *that Mesa wants to pressure Gulf into making an over-priced bid for Mesa in order to get rid of a nuisance.*

We believe that Mesa group's actions lead to a simple conclusion—*the Mesa group is trying to protect its own "right" to disrupt Gulf's affairs* by calling meetings, proposing charter amendments and placing its own special representatives on the Gulf Board.

Remember, Pickens' duty is to Mesa shareholders and his group—not to you.

MESA'S INCONSISTENCY

Consider whether the Mesa group is acting to further your interests in this opposition.

■ **Mesa has always been a Delaware corporation and has never elected its directors under cumulative voting.**

■ **Sunshine Mining Company, a member of the Mesa group, eliminated cumulative voting in 1980, when it chose to reincorporate in Delaware** after spending 62 years incorporated in the state of Washington.

■ **In fact, Sunshine told its shareholders:**
"the general corporation law of Delaware affords a modem, flexible legal framework for conducting corporate affairs. Among other things, the Board of Directors believes that Delaware law provides greater flexibility than Washington law respecting the activities and management of the Company."

In the opinion of Gulf management, Pickens and the management of Sunshine Mining Company owe you an explanation of how they can oppose the reorganization of Gulf on the grounds they stated when the shareholders of their own companies do not have such "rights".

Pickens' double-standard is evident: According to him Delaware is the right choice for Mesa and Sunshine—but not for Gulf. Ask yourself: Is Pickens really acting in your interests?

■ **Finally, on March 31, 1976, in his annual report letter to the Mesa shareholders, Pickens stated:**
"The various proposals for breaking up the major integrated oil companies are ill conceived and, in the long term, would be extremely detrimental to the energy situation."

Today, Pickens is beating a different drum. In the press and elsewhere he advocates spinning off assets, establishing royalty trusts and liquidating assets. Such actions, as applied to Gulf, would, in the opinion of Gulf management, be to the detriment of reinvestment in exploration and would inevitably lead to a reduction in reserves.

Certainly, we believe Pickens should tell you why the proposals were "ill conceived" in 1976 and why he now advocates such proposals to Gulf's shareholders in 1983. ***In our opinion, Pickens' sole purpose is to further the aims of the Mesa group, not yours.***

We do not trust the motives of Pickens and his so-called "Gulf Investors Group". We do not believe you can afford to trust them either.

Your Board and management is making solid gains, taking bold actions and enhancing your investment.

Don't you agree that Gulf should continue on its strategic path and not be sidetracked by schemes intended to serve the short-term goals of a select few? Your Board and management are not only open to, but continue aggressively to search for actions to further the overriding objective of enhancing share value. **The shareholders of Gulf Oil Corporation should have a Board of Directors that can act in the best interests of all of the Company's shareholders.**

Whether or not you have previously signed a proxy, please express your support of Gulf's proposal by signing, dating, and mailing the WHITE proxy card. Remember, your latest dated proxy is the only one that counts.

The management and Board of Directors thank you for your support of your Company.

James E. Lee

James E. Lee
Chairman of the Board and Chief Executive Officer

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If you have any questions or need assistance in voting your shares you are encouraged to call D. F. King & Co., Inc. at (212) 269-5550 in New York, (312) 236-5881 in Chicago, or (415) 788-1119 in San Francisco or Georgeson & Co. at (212) 440-9800. Please call collect. Gulf has also established the following toll free numbers (800) 255-4853 and for Pennsylvania residents only (800) 222-2152.

THE PROPERTY MARKET

BY MICHAEL CASSELL

More hostilities down in Docklands

THIS WEEK'S acrimonious outpourings from tha Greater London Council on both the conduct and effectiveness of the London Docklands Development Corporation represent a new low-point in relationships between the two organisations.

The eight square miles of derelict and decaying riverside land which run east from Tower Bridge as far as the Royal Docks are supposedly the location for Europe's most ambitious programme of urban regeneration. They have also developed into an unhappy political battleground, upon which the interests of the local community seem regularly caught up in the crossfire.

Planning has long since been as much about politics as about plot ratios or building profiles but few issues have raised as many temperatures or as much havoc as docklands.

Ever since the LDCC was set up in 1981, with full powers of development control and answerable directly to the Environment Secretary, those local authorities offended by the eclipse of their own influence have engaged in accusations of secrecy, deception and betrayal.

The new low-point came with publication, by the GLC, of a review of the Corporation's activities over the last two years. Mr George Nicholson, chairman of the GLC planning committee, claimed the Corporation was inflicting "immense damege" on docklands and was being used as a steamroller to force through any speculative scheme which caught the eye of Mr Nigel Broackes, the LDCC chairman, and his board.

The LDCC, he snarled, had become "a honeypot for consultancies and promotional companies and an agency for preparing public land to be flogged off to the private sector." Democratic planning, he charged, had been replaced by a series of estate agents' briefs. If the Corporation reflected the shape of any replacement for the GLC itself, then" Britain was moving towards becoming a aecret society."

The roll-call of complaints suggested that the Corporation had pushed its way in, ignored the wishes of the local people, overridden strategic and local planning objectives, refused to account publicly for its activities, spent too much public money on its own administration and failed miserably in its attemtps to create new and permanent jobs.

The 3,500 jobs claimed to have been generated by the Corporation's activities were, Mr Nicholson said, no more than 500, once elements such as temporary construction jobs and tha LDCC's own personnel wera subtracted.

Mr Nicholson, along with some of the authorities and pressure groups which were consulted in the preparation of the report, believes the LDCC should be scrapped. Knowing full well that this is just about as likely as a Knighthood for Ken Livingstone, he is calling for "greater democratic eccountability" for the LDCC, more time for consultation on planning aplications, acknowledgement of, and more adherence to, existing local end strategic plans and the production by the LDCC of an annual operational programme.

But beyond criticism of the mechanics of the LDCC operation lies a well-aired and deeply rooted objection to the Corporation's philosphy. The GLC review emphasises that, in contrast to the agreed strategy of the local authorities for a velopment of docklands, the market-led.

According to the GLC, tha Corporation's determination to use public funds to lever a much greater volume of resources from the private sector is tantamount to a misuse of funds. The report spits out words like "speculetive" and says that many of the jobs and homes likely to be created by the LDCC strategy will be totally unsuitable for the existing local population.

The encouragement of speculative office development, the GLC claims, will raise land values and accelerate industrial decline. More offices in docklands will, it adds, only threaten "preferred" office locations like Woolwich or Lewisham. Preferred by the GLC maybe, but by office occupiers as well?

The LDCC's reaction to the latest onslaught came from Mr Bob Mellish, the vice-chairman of the Corporation, who implied the criticism was little more then a jealous reaction from a body which had signally failed where the LDCC was succeeding. Far from betraying the local people, be said, tha Corporation and the private sector were providing hope and change in the place of dereliction and stagnation.

The Corporation, he stressed, was close to the people and was directly answerable to Parliament, the seat of democracy in this country. Unfortunately, Mr Mellish's parliamentary upbringing finally got the better of him when he got to the GLC's charges of deceiving the local people. Which local authority, he sniped, had misled the electorate by switching leaders within 24 hours of its election?

But it is, nevertheless, true that the LDCC still has a long way to go before it can use success as the only necessary defence. There are encouraging stories to tell in docklands but the image is well manicured.

Equally the critics cannot dismiss LDCC strategy after two years and, more importantly, who believes that any other formula would have a better chance of making docklands live egain?

The creation of the LDCC was borne out of the government's determination to end years of decline and stalemate and it was given hefty powers to ensure it won through. Even so, there does appear to be some genuine concern about the true extent of its local accountebility and readiness to consult.

As a quasi-local aothority, it must encourage dialogue and genuine democracy, even if it loathes the inevitable prospect of political warfare. It must not only work in the public interest, it must be seen to be doing so.

Record year for development Agency

THE Development Commission—the Government-funded rural development agency for England—spent over £16m in 1982-83 on a wide range of projects designed to combat the economic and social problems of rural areas. Budget for the current year is £19.5m.

Over £8m was allocated to factory building and more than £4.5m was spent by the Council for Small Industries in Rural Areas (CoSIRA), the commission's principal agency, in providing financial and technical support to small businesses. A record 134 factory units were completed and a record 168 units were let. The number of firms vacating the commission's premises doubled, however, from 27 to 53.

● Fleming American Property Unit Trust has spent $14m in acquiring two U.S. properties which take the value of the trust to $40.9m. It has paid $7.15m for Heritage West shopping centre in Denver, showing an initial net cash return of 10.24 per cent. The trust, with a forecast yield of 8 per cent, has also paid $6.95m for a 72,000 sq ft office building at Schaumberg, near Chicago, to show an initial return of over 10 per cent.

● Hardanger Properties has arranged with Schroder Property Fund for Pension Funds and Charities, the provision of £4m for four retail developments in Bishop Auckland, Lichfield, Worksop and Wigan. Completed, the properties will show the Fund an average yield of about 5¼ per cent. Edward Erdman acted for Hardanger and Schroder Properties acted for the Fund.

● Gate House, the Arlington Street offices just refurbished by Five Oaks Investments, has been let at a rent of about £25 a sq ft. It is understood the tenant is H. Samuel. Conway Relf Stanton and Lambert Smith, letting agents, have been retained to sell the St James's freehold.

● Roussel Laboratories and the Water Authorities Superannuation Fund have agreed heads of terms for a lease on the Fund's 90,000 sq ft Broadwater Park office development on the old Rank studios at Denham. The move means Roussel wants to assign its lease — with 13 years to run —on its 45,000 sq ft Wembley Park headquarters. Jones Lang Wootton are acting for the Fund and Hunting Gate Developments are advising Roussel.

Hunting Gate, together with Rummall Investments and British Rail Property Board, have applied for planning permission to develop a 60,000 sq ft office building on the former William Way builders yard in central Wimbledon.

Reading enlists the lure of the Orient

AS THE Orient Express drew up alongside a crowded platform four at Reading station, 140 businessmen took a last sip of champagne from their Laliqua crystal glasses and reluctantly eased themselves out of their luxurious surroundings.

All guests of Arundell House Securities, which had chartered the famous train, they were greeted by a bowler-hatted station manager before being taken off to view the company's recently completed, £9m office development at 100, Kings Road. That such an effort is made to bring the project to the attention of agents and prospective tenants is an indication of the difficulties now facing the office relocation market.

To drive those problems home, the executive coaches which then speeded the happy party to the 40,235 sq ft building set them down next door—alongside an ominously empty 50,000 sq ft office block. But as agents Richard Ellis, architects Seifert and developers Arundell were quick to point out, 100, Kings Road was of the "highest quality and design"—essential in today's oversupplied market.

After minimal activity in the lettings market in 1982, Reading has experienced a pick up this year, with over 100,000 sq ft finding tenants in the first six months.

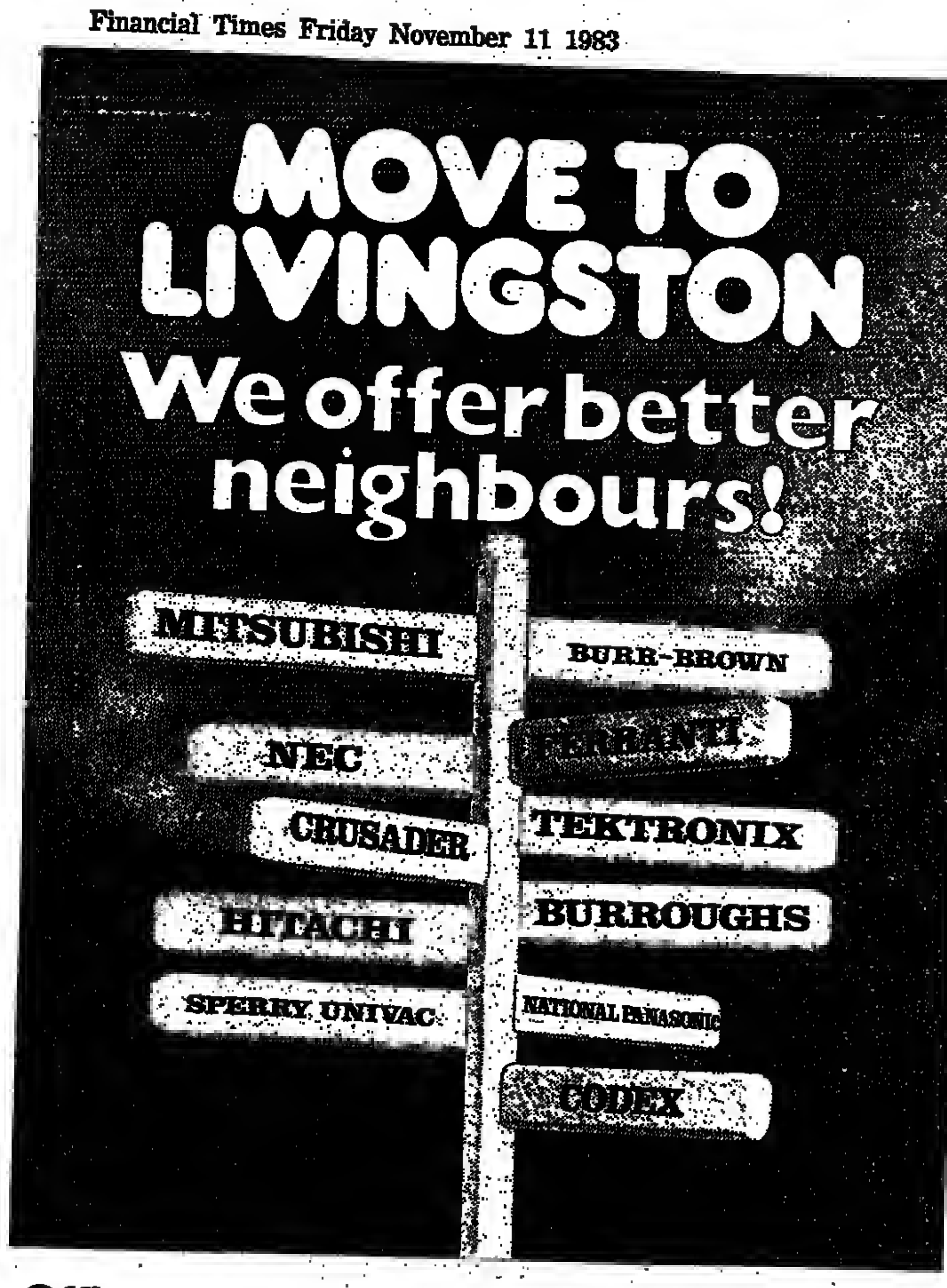
Even if Arundell have built the best office development in Reading, it still has to persuade a tenant to choose that particular town out of the many scattered around London. Foster Wheeler Energy, for example, said on Wednesday that it had looked seriously at 108 sites back in 1974 including Ipswich and Canterbury, before opting for Reading.

John Ramsden, a Foster Wheeler director, was frank about the town's failings. "Reading is not the pleasant shire town of the glossy brochures. It's traffic problems are chronic and plainly self-inflicted, with viable solutions looking years away."

But he did go on to say that it is "lively, expanding, commercially aware, full of sunrise industries, happy retailers and prosperous service organisations."

As for Arundell House, it has funded a number of high quality developments in the south east and is expected to go public over the next couple of years. With a current development programme of around £40m, the few thousand pounds that the Orient Express cost to ferry so many prospective tenants into the building will seem money well spent if it leads to a letting. Other companies will watch closely, too. Those thinking of relocating should stand by for an invitation to fly to Corby in Concorde.

ALISON HOGAN



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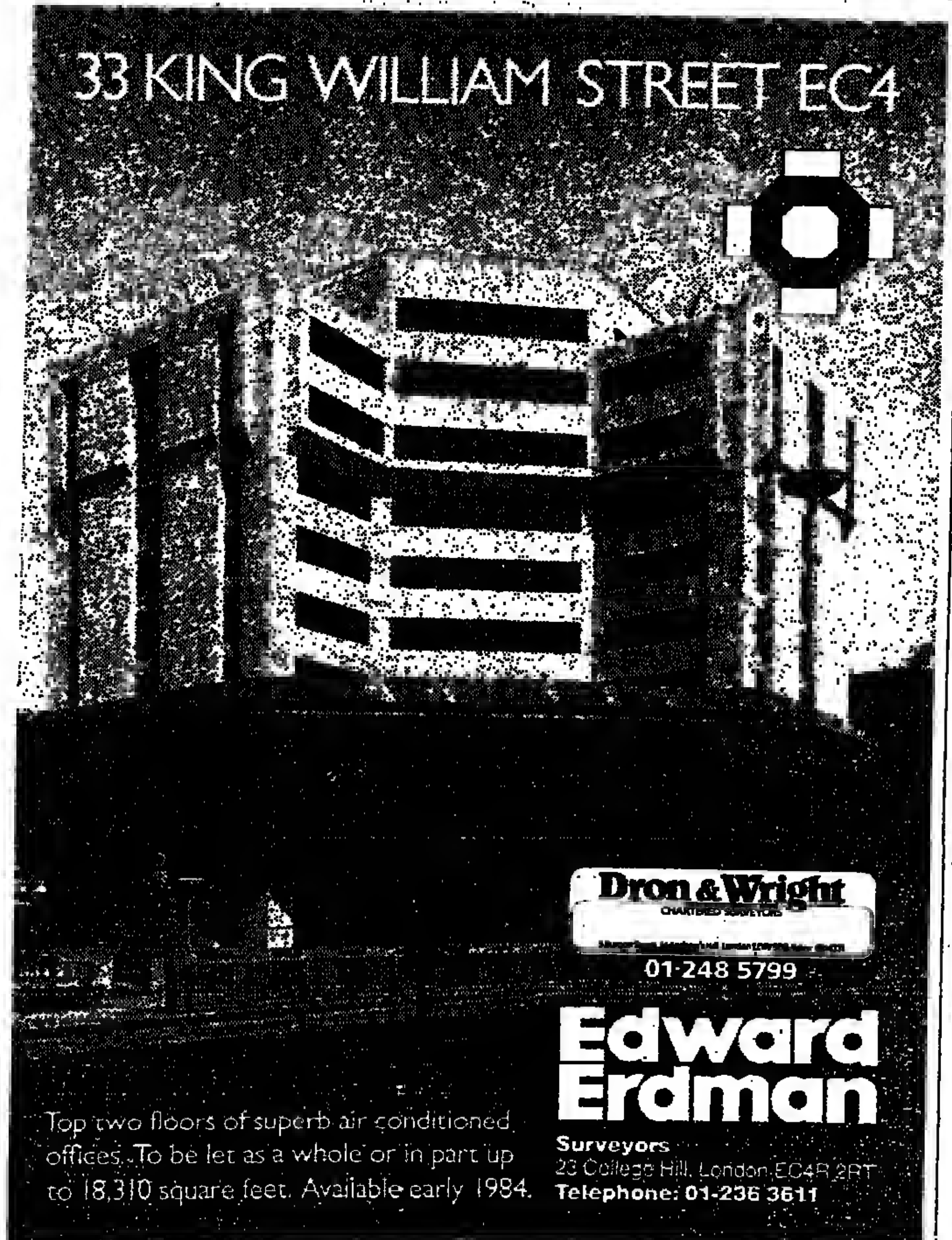

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FT COMMERCIAL LAW REPORTS

Union immunity narrowed by 1982 Employment Act

MERCURY COMMUNICATIONS LTD v SCOTT GARNER

Court of Appeal (Sir John Donaldson, Master of the Rolls, Lord Justice May and Lord Justice Dillon): November 9 1983

A "TRADE dispute" is a dispute between workers and their employer which is predominantly about matters specific to their employment, and accordingly a dispute which is predominantly about political issues is not a trade dispute and is not a defence to proceedings in respect of losses caused by industrial action.

The Court of Appeal so held when allowing an appeal by Mercury Communications Ltd from Mr Justice Mervyn Davies's refusal to grant its application for an injunction to stop industrial action by the Post Office Engineering Union. The industrial action was part of the union's campaign to retain the traditional monopoly over telecommunications held by British Telecommunications Ltd (*BT*).

* * *

SIR JOHN DONALDSON said that in an industrial dispute the courts were on neither side. They had an independent role. Parliament made the law, and the courts' duty was simply to apply it as they understood it.

In the present case Mercury had been licensed under the Telecommunications Act 1981 to establish a telecommunications system within the UK. Its effective operation required interconnection with *BT*, to enable *BT* subscribers to communicate with Mercury subscribers, and vice versa.

A right and duty of interconnection, inherent in the grant of the licence to Mercury, was formalised by agreement.

On June 10 1983, when *BT* ordered employees to interconnect the two systems, the union replied with a call to action.

BT management effected some interconnections themselves. The union thereupon instructed its members to black Mercury shareholders and *BT* services at Mercury's premises, and threatened to take industrial action against Mercury customers.

Mercury issued a writ against the union on October 5 1983. There would be a full trial of the action. In the interim Mercury claimed that as a result of the industrial action, it was suffering huge losses which imperilled the future of its business.

The present appeal was from Mr Justice Mervyn Davies's refusal to order a halt to the industrial action.

It followed from the interim nature of the proceedings that the court's function was not to decide the issues between the parties, but to have regard to the likelihood of the union's establishing a defence at the trial (section 17(2) of the Trade Union and Labour Relations Act 1974).

It could be assumed that there was a serious issue to be tried as to whether the union had committed the torts of inducing breach of contract and interference with business by unlawful means.

The only defence which was relevant at the present stage was under section 13(1) of the 1974 Act as amended by the Trade Union and Labour Relations Act 1976.

Section 13(1) provided that an act done in furtherance of a "trade dispute" was not actionable in tort on the ground only that it induced breach of contract.

"Trade dispute" was defined by section 29(1) of the 1974 Act as amended by section 18 of the Employment Act 1982. Prior to amendment, "trade dispute" meant a dispute between employers and workers, or between workers and workers which was "connected with" various subject matters including termination of employment.

As amended, section 29(1) provided that "trade dispute" meant a dispute between workers and their employer "which relates wholly or mainly to" the various subject matters.

That revision considerably narrowed the scope of "trade dispute." Disputes between workers and workers no longer qualified. Nor did disputes between workers and an employer, unless he was *their* employer.

Also, it was no longer sufficient that the dispute should be "connected with" one of the specified subject matters. It now had to relate "wholly or mainly to" that subject matter.

The word "worker" had also been redefined by section 18(6) so as to narrow the specified subject matters wherever "worker" appeared. The dispute must, therefore, not only be between workers and their employer, but must relate wholly or mainly to matters specific to that employment.

Mr Justice Mervyn Davies took the view, with regard to "is connected with" and "which relates to," that in the circumstances of the case, it did not matter which phrase was taken. He said the dispute related wholly or mainly to termination of employment, ie job losses, and that accordingly it was a "trade dispute" within section 29(1).

In context, the phrase "wholly or mainly relates to" directed attention to what the dispute was about and, if it was about more than one matter, what it was mainly about. What it did not direct attention to was the reason why the parties were in dispute about the matter.

The view that "relating to" meant "about" (in the sense of "concerning" rather than "approximately") was supported by *Roberts v Cleveland [1979] ICR 559* and *Garland [1982] ICR 421*, though in each case the words were used in a different context.

The most obvious way of finding out what a particular dispute was wholly or mainly about was to inquire what the men concerned (those who refused to interconnect the systems) said to management at the time. Unfortunately, there was no such evidence, but it was a fair inference from what was known that interconnection was contrary to their union's instructions.

The subject matter of the dispute between *BT* and its employees could legitimately be taken to be the same as that between the union and *BT*.

The union's general secretary had stated by affidavit that its dispute with *BT* was over the interconnection agreement with Mercury. He said: "*BT* have allowed a rival organisation to interconnect with its network. It is this fact which puts them at odds with my union." He went on to say that the cause of the dispute was that union members' jobs were at risk.

The evidence had to be looked at as a whole. It was impossible to conclude on the available evidence that the risk to jobs was a major part of what the dispute was about.

Additional evidence which was not before Mr Justice Mervyn Davies showed that a job security agreement was executed between *BT* and the union in September 1980. It was inconceivable that, if the dispute was wholly or mainly about jobs, the union would not have approached *BT* asking for a guarantee of job security, or a strengthening of the job security agreement.

There was massive evidence that the union was waging a campaign against political decisions to liberalise the industry and to privatise *BT*. It was most unlikely that the union would be able to establish that there was a trade dispute between *BT* and its employees.

The judge misdirected himself. Also, additional evidence had been produced in the appeal which was highly relevant to the factual issues he had had to determine. The court was therefore bound to exercise afresh the discretion to grant interlocutory relief (see: *Hadmor Productions [1983] AC 230, 223; American Cyanamid [1975] AC 396, 407*).

Mercury had shown that there was a serious question to be tried and that it had a real prospect of succeeding in its claim for a permanent injunction.

If it succeeded, it would not be adequately compensated by damages for the loss suffered as the result of industrial action pending the trial.

Mercury was in a relatively frail condition as a newcomer to the field and had very large sums invested in the project. New customers could not be attracted while industrial action was threatened. The losses would vastly exceed the maximum liability which could be imposed on the union, namely £250,000 (see section 16 of the Employment Act 1982).

If the union were to succeed at the trial in establishing its defence, it would be adequately compensated by an award under a cross-undertaking.

The balance of convenience lay in protecting Mercury pending the trial of the action.

The appeal should be allowed.

Lord Justice May and Lord Justice Dillon delivered concurring judgments.

For Mercury: Robert Alexander QC, Alexander Irvine QC, Patrick Elias and Timothy Charlton (Bird and Bird).

For the union: Christopher Carr QC and Cherie Booth (Lamford and Co.).

By Rachel Davies
Barrister

UK COMPANY NEWS

Unilever rises to £610m at 9 months

FOR THE first nine months of 1983 taxable profits of Unilever, foods, detergents, toiletries group, were lifted from £591m to £610m, including those of Unilever NV, with a third quarter advance from £197m to £219m.

Third quarter sales rose from £3.22bn to £3.39bn lifting the nine months' figure to £10.07bn, compared with £9.75m.

After tax of £277m (£268m) for the whole period, combined earnings per share were 79.15p, against 81.03p.

The interim dividend is increased to 10.57p (9.96p)—last year's final was 18.87p—and that of Unilever NV was maintained at Fl 4.44 gross.

For the whole of 1982 combined group sales amounted to £13.22bn (£11.89bn) and pre-tax profits were £722.6m (£709.2m).

Directors say that trading conditions in UAC International's main areas of operations continued to be adverse, as a result of which sales and profits suffered compared with the 1982 third quarter.

The company's businesses throughout the rest of the world continued to make a substantial contribution to results, their total sales volume and profits better than in 1982, directors state.

They point out that higher income from other interests reflects the considerable increase in net liquid funds.

Third quarter sales volume for the combined group was three per cent higher than the same period last year, and sales value was 5 per cent higher. Operating profit increased in line with the total improved by 7 per cent from £200m to £213m.

In Europe, results were considerably better and sales volume in total improved by 2.5 per cent, directors state.

All consumer groups achieved higher profits, particularly frozen products, food and drinks, and personal products.

Of the industrial groups, animal feeds, chemicals and paper, plastics and packaging did better, but results of the transport companies were disappointing, directors say.

In North America third quarter sales and profits volume were better than in 1982; both Lipton and National Starch "performed excellently in the quarter."

Combined nine months' pre-tax profits included associates' share amounting to £31m, compared with £37m, income from trade investments £2m (same), but were after interest charges of £28m, against £35m.

After tax adjustments, last time, of £4m and minorities £28m (£26m), the balance came through at £305m against £301m. After an exchange loss of £11m (nil) however, the combined attributable figure was lower at £294m (£301m). This was split as to £121m (£145m) PLC, and £173m (£156m) NV.

See Lex

HIGHLIGHTS

Lex looks at the third-quarter results from Royal Dutch/Shell with increasing production and wider margins and the figures showing a strong turnround since the first quarter in the U.S. BET has made its second major deal in 48 hours arranging to sell 50 per cent of its stake in Wembley Stadium which will be developed at a total cost of around £300m. Finally the column considers the third quarter from Unilever where the figures were brought forward because of a theft of official documents, revealing all, from a manager's home. Nevertheless the figures are none the worse for the ordeal, with profits up 11 per cent to £219m thanks to a strong performance in North America and Europe.

Ship and aircraft sales lift B & C

IN THE first half of 1983, the British and Commonwealth Shipping Co. more than doubled pre-tax profits to £36.12m, against £16.39m last time. The result however, largely reflected a sharp increase from £1.85m to £16.3m in profits on sale of ships and aircraft.

The board predicts that subject to the usual uncertainties and the affairs of associated companies, taxable profits for the full year will approximate those earned for 1982—excluding ship and aircraft disposals. Last year's pre-tax result was £36.83m, of which £6.7m came from sale of ships.

In the last annual report, the board said it felt reasonably confident of some improvement on 1982 results.

First-half turnover rose by £5.8m to £175.5m. Profits from shipping, aviation and other activities improved from £10.24m to £12.76m, made up as to: shipping losses £145,000 (£480,000); air transport profits £7.62m (£5.67m); aviation support services £2.17m (£1.73m); hotels £423,000 (£404,000); office equipment £1.47m (£703,000); and other activities profits £1.23m (£753,000 losses).

Operating profits advanced from £10.09m to £29.06m, after including ship and aircraft sales and a £2m charge last year for provision against delivery cost of the Panamax bulk carrier. Pre-tax results were after interest payable of £4.98m (£5.94m) and share of associates' profits of £4.55m (£5.81m).

Net attributable profits climbed from £8.57m to £17.96m and earnings per 50p share grew to 50.4p, compared with 24.9p. Tax took £11.84m (£5.83m) and there were also minority debits of £6.33m (1.69m).

The net interim dividend is raised from 7p to 8p per share—last year's total payment was 15.5p.

Caledonia Investments, an investment holding company which owns 49 per cent of British & Commonwealth Shipping, raised pre-tax profits from £2.23m to £2.99m in the six months to September 30, 1983 and the board is anticipating a full year figure of around £6m—against £4.75m before.

The contribution from trading subsidiaries has shown a significant recovery from the depressed level a year ago, but the board says it is too early in the year to attempt any firm prediction of the eventual contribution from these subsidiaries, as certain markets remain volatile.

Mid-year turnover dropped from £5.51m to £4.42m.

Net available profits came out ahead from £1.52m to £1.96m, after tax of £966,000 (£679,000), minorities and preference dividends. Earnings per 25p share were up from 7.53p to 10.11p and the net interim dividend is higher at 7.5p (6.5p)—last year's total was 15.5p.

Investment income totalled £2.64m (£2.22m), before net interest receivable of £65,000 (£67,000) and operating profit on trading activities £455,000 (£111,000), less management expenses of £79,000 (£71,000) and loan interest £90,000 (same).

Taxable profits of Amber Industrial Holdings, which is controlled by Caledonia, rose sharply from £154,000 to £272,000 in the six months to September 30, on turnover of £2.64m, against £2.45m.

The board says that although it is too early to make a firm prediction of the likely outcome as certain markets remain volatile, present indications are that pre-tax profits for the second six months will approach those of the first half. In the last full year, the company made £408,000.

With earnings per 10p share up from 3.04p to 7.01p, the interim dividend doubled to 2p (1p) net. Last year's total was 3.5p.

Operating profits for the period advanced from £174,000 to £365,000, after depreciation of £120,000 (£103,000). Interest added £4,000 (took £20,000), tax accounted for £187,000 (£73,000) and available profits—after preference dividends—showed an increase from £79,000 to £183,000.

Improved performances were achieved by all three of Amber's activities—these cover industrial aerosols, refractory fittings and cold store facilities.

● **comment**

If one strips out the extraordinary profit on sale of ships and aircraft, British and Commonwealth's first-half results are far less spectacular though still very sound. The only department not to show any improvement is air transport: although Bristows is having to contend with stiffer competition in the North Sea, the results have to be judged against a high base last year. But this was more than offset by a very buoyant office equipment sector, reduced currency losses, some loss elimination on the shipping side and better profits from investment management and banking. The company has recently made some hefty investments so investment income will be affected in the second half. Given that the overall trading outlook is improving, the big question will be the accounting treatment of the interest in Exco. If it is consolidated above the line the pre-tax outturn for the year could be in the region of £40m excluding asset sales.

Elswick-Hopper

A REVERSAL from a profit of £19,000 to a pre-tax loss of £194,000 is reported by Elswick-Hopper for the six months to July 31 1983. However, a much improved result is anticipated in the second half.

Turnover for the first half improved from £13.02m to £13.41m, while operating profits were lower at £70,000 (£469,000) before interest of £264,000 (£450,000). There was again no tax. Last year, there was also an extraordinary debit of £304,000.

Loss per 5p share came out at 0.51p (0.05p earnings) and the interim dividend is again omitted—last year only a final of 0.025p was paid.

LWT ahead to £5.35m despite C4 shortfall

DESPITE a sharp downturn at the trading level pre-tax profits of LWT (Holdings) for the year to July 24, 1983 moved ahead from £4.01m to £5.35m. This followed a sharp cut in exchequer levy and the absence of exceptional debits this time.

The exchequer levy dropped from £6.64m to £953,000 and last time there were exceptional debits of £3.39m for Channel 4 subscription.

The directors say that the fall in trading profits is due almost entirely to the shortfall in revenue from Channel 4 against the additional subscription and rental attributable to the year which ended from November 2, 1982.

Turnover for this independent TV contractor increased from £115.39m to £136.22m.

The net final dividend has been held at 6.5818p which holds the total at 11.076p. Earnings per 25p share slipped from 24.74p to 23.57p before exceptional debits, and emerged at 23.57p compared with a loss of 1p after the same.

The publishing subsidiary Hutchinson has made a welcome return to profitability, say the directors. Page and Moy, which is involved in travel, is looking to improve results in 1984 they say. All other subsidiaries are performing satisfactorily.

Tax came to £1.38m (£4.12m including exceptional provisions for deferred tax). The attributable balance emerged with a surplus of £3.91m (deficit £165,000).

At the halfway stage profits fell from £3.93m to £2.81m. The directors expected that the costs related to Channel 4 would inevitably affect the profitability of LWT in the second half.

● **comment**

Despite the depressing effect of Channel 4 on trading profits, and the continuing dispute between the IPA and Equity, LWT is much more confident than it was at the time of the interims. LWT seems to be getting more out of Channel 4 in terms of both advertising and programming than some other contractors, while the TV industry as a whole seems to be learning how to live with Britain's longest running industrial dispute. The key to LWT's optimism is the trend in advertising revenue. It appears to have enjoyed a particularly good autumn—a period not covered by these figures. The outgoing chairman's warning about the final dividend when the interims were announced in March now looks cautious to the point of scrupulousness. The maintained dividend—which yields a pleasant 9 per cent at 182p—has been more than twice covered. The arrival of cable and satellite broadcasting holds the key to LWT's future. Naturally it could sell its products to the eventual rulers of those empires. But there must also be the temptation for LWT to get more actively involved at the sharp end as part of a consortium. With around £2m in net cash, LWT is hardly strapepd for funds.

Tyne Tees TV coming to USM

Tyne Tees Television, one of tha major regional ITV companies, is to come to the Unlisted Securities Market later this year, by way of a placing of 10 per cent of the non-voting shares. Mr Tim Holland-Bosworth of the company's financial advisers, Kleinwort Benson, said yesterday that the placing was "imminent." He added that a USM debut rather than a full listing was chosen principally because the vendors wanted to release the minimum amount of equity.

Tyna Tees has had a stock market quote before, but that disappeared when it was taken over by Trident. Tyne Tees has a staff of over 700, and provides a service to 3½m viewers in the North East of England and North Yorkshire. It is one of tha leading contributors to Channel 4.

The prospectus will contain the results for the financial year to September 30 1983.

New Cavendish

For the year ended June 30 1983, property investor New Cavendish Estates has run up a loss of £132,194, compared with £8,108 in the previous year. However, this is offset by a tax surplus of £135,378 (£34,404) and this time an extraordinary credit of £384,354.

There is a dividend of 1p on the ordinary shares, and e fixed payment of 14.59p on the deferred. Payment date is

VW Thermax

The application list for the offer for sale by tender of up to 4.75m shares in VW Thermax closed yesterday morning, having received applications for a total of 8.904m shares.

The striking price bas been fixed at 110p, at which price the offer was subscribed approximately twice over.

A total of 4,318,182 shares will be issued at the striking price in order to raise £4.75m.

Applicants will receive about 50 per cent of the shares applied for. Applications at or above the striking price on the special pink and blue application forms will receive their allotments in full.

Dealings will begin on the USM on November 16.

LADBROKE INDEX
714-719 (unch)
Based on FT Index
Tel: 01-493 5261

R. Dutch/Shell boosts net income to £1.77bn

THIRD-QUARTER net income of the Royal Dutch/Shell Group of Companies expanded from £451m to £545m and boosted the nine months' figure, ended September 30 1983, to £1.77bn, compared with a previous £1.25bn.

Sales proceeds and other operating revenues increased from £13.95bn to £15.81bn for the third quarter and lifted the nine months' result to £45.4bn (£40.13bn).

Net revenue for the nine months emerged ahead from £35.37bn to £39.68bn after £6.65bn (£5.68bn) sales taxes, excise duties and similar levies, but included associate earnings, £527m (£595m) and interest and other income £398m (£382m).

Total costs and expenses amounted to £37.91bn (£34.12bn) which included purchases and operating expenses of £28.5bn (£25.77bn).

The economic environment remains one of a strong consumer-led recovery in the U.S., with fragmented advances elsewhere, directors state. They add that with overall economic growth forecast at around 3 per cent in real terms for 1984, it is expected that oil demand will marginally increase—the first annual increase since 1979.

A divisional analysis of net income for the nine months shows: oil and gas (exploration and production)—group excluding Shell Oil and Shell Canada £700m (£614m); Shell Oil and Shell Canada £1.1bn (£792m); Shell oil and gas (manufacturing, marine and marketing)—group excluding Shell Oil and Shell Canada £290m (£296m); Shell Oil and Shell Canada £104m (£187m); chemicals—group excluding Shell Oil and Shell Canada £31m (£27m loss); Shell Oil and Shell Canada £28m (£10m); other industry segments £89m loss (£39m); Corporate items debited £148m (£361m), and minority interests £242m (£227m).

Most Shell companies use the FIFO method of inventory accounting, as a result of which the cost of sales reflects a mixture of costs incurred before the reporting period and costs incurred during the period.

Net income says a better indication of the underlying business performance is achieved if the cost of sales of the volumes sold in the period is based solely on the average cost of supplies incurred in the same period, and allowance is made for the estimated tax effects.

On this estimated current cost of supplies basis net income for the third quarter would be £678m against £303m, and £2.01bn (£1.26bn) for the nine months.

Directors say that these earnings are more comparable with those of companies using the LIFO inventory basis after excluding any inventory drawdown profits.

Earnings from oil and gas exploration and production activities, excluding Shell Oil and Shell Canada, improved by £80m to £312m for the third quarter and was largely because of a 23 per cent increase in net equity crude oil production. This rose from 734,000 barrels daily to 924,000.

Higher production was recorded principally in the North Sea, Nigeria and Oman, with a significant aggregate increase from diverse smaller production areas.

The group share of net production in the UK North Sea was 318,000 barrels daily (253,000). Earnings also benefited from higher natural gas sales and the effect of weaker sterling, partially offset by higher exploration expenses and lower natural gas prices.

Natural gas sales volumes rose by 7 per cent, due principally to increased sales in Malaysia and Brunei.

Shell oil's exploration and production dollar earnings declined by 7 per cent, due mainly to lower crude oil prices and reduced natural gas demand, while Shell Canada's earnings were higher because of lower exploration and predevelopment expenses and higher crude oil and natural gas liquids prices.

Total capital expenditure and exploration expense was £1.15bn (£1.31bn) for the third quarter and gas—lifting the nine months' figure to £3.35bn (£3.63bn). Oil and gas accounted for £2.48bn (£2.96bn).

As at September 30 group earnings per share were 61.35p (43.05p).

	Nine months 1983 £m	1982 £m
Revenue:		
Sales proceeds	45,404	40,132
Sales taxes, duties	6,646	5,682
Associates share	527	595
Interest, other inc.	398	382
Making revenue	39,681	35,367
Cost and expenses:		
Purchases, op exp	28,489	25,772
Selling, admin exp	[illegible]	[illegible]
Exploration	[illegible]	[illegible]
Research, develop	[illegible]	[illegible]
Depreciation	[illegible]	[illegible]
Exchange loss	[illegible]	[illegible]
Interest	[illegible]	[illegible]
Tax	[illegible]	[illegible]
Minorities	242	227
Net income	1,770	1,246

See Lex

Ultramar down by over £18m but improving trend in sight

ALTHOUGH THIRD quarter pre-tax profits of Ultramar showed an improvement over those of the preceding quarter, figures for the first nine months of 1983 were still £18.6m down at £113.2m, compared with the same period last year.

Profits for tha third quarter, at £43.1m, compare with £22.2m for the second quarter and £47.9m for the opening 13 weeks.

Sales revenue for the nine months rose from £1.03bn to £1.33bn but cash flow from operations fell by £14.7m to £96.2m.

A £9.1m reduction in interest charges to £10.2m failed to offset distribution costs and administration expenses, which advanced from £63.7m to £79.4m. Other operating income improved by £1.4m to £26.2m.

The main profit centres continued to be the group's oil and gas producing operations in Indonesia, the North Sea and Western Canada. Marketing operations in the Western United States and the UK also had a profitable third quarter, but the large refining and marketing interests in Eastern Canada continued to be disappointing.

However, Ultramar has now received the necessary authorisation from the Canadian federal authorities to purchase the marketing assets of Murphy Canada and this should help it to operate the new catalytic cracking unit at the Quebec refinery at optimum capacity.

The group has also received permits to import and process feedstock and to export the products from Canada which will help integrate the former Pittston Petroleum operation and allow the Quebec refinery to be run et higher levels.

Mr Arnold Lorbeer, the chairman, says the main projects in the two-year expansion and modernisation programme have now been completed and should begin to have an impact on profits in the fourth quarter. The two new LNG trains in Indonesia, and the catalytic cracking unit at the Quebec refinery are on stream and have operated above design capacities.

The North Sea Maureen Field is on production and expected to reach its full capacity early next year. The only slippage has been in the ship construction programme.

In the third quarter, the group arranged a US$350m ten-year term credit with an international syndicate of banks led by the Bank of America.

Mr Lorbeer reveals that the group has been informed that, subject to the requisite consents, it was successful in purchasing four units totalling 1 per cent of the Forties Field for a total consideration of £30m.

After a much lower tax charge of £38.4m (£58.3m) net profits for the nina months improved from £73.5m to £74.8m.

Earnings amounted to 57.3p (65p) per 25p share after adjustments to take account of last February's rights issue.

● **comment**

Ultramar's shares have been subject to a fair amount of profit taking over the past couple of months, but yesterday figures, combined with the relaxed tone of the chairman's statement, helped the share price, one of the heaviest in the sector, to put on 10p to 265p. Ultramar has confirmed that it successfully tendered for four of the BP Forties Field units. Any other similar opportunity would clearly be of interest, for tax reasons, since Ultramar is stepping up its UK exploration programme in terms of both block and percentages. It is now considering whether to exercise its preemptive rights over BET's Maureen field stake, in the wake of RTZ's offer. Ultramar's existing stake in Maureen has not yet contributed, but will begin to do so in the final quarter, and substantially so next year. The increase in net profits despite the fall in the pre-tax outturn is largely explained by the fact that the income from business interruption insurance hits the bottom line intact. Turnover rather than profits have been boosted by the integration of the Pittston Petroleum operation. That is e seasonal business, and will impact favourably on profits particularly in the next two quarters.

S & U Stores slips to £0.43m

DESPITE A 5 per cent rise in turnover from £13.6m to £14.3m by retail credit concern S & U Stores, taxable profits for the first half to July 31 1983 slipped from £458,418 to £425,295.

Mr D. M. Coombs says the results are "slightly discouraging" but he anticipates that profits for the full 12 months will be similar to the £767,000 of the previous year.

There is again no dividend on the preferred ordinary and ordinary shares but the preference dividend is being paid normally and absorbs £4,200 (same). This is in line with the directors' previously stated policy of improving the group's asset base and reducing borrowings.

In the previous year turnover amounted to £27.8m and after tax of £258,000 and preference dividends of £8,000 a balance of £501,000 was transferred to reserves.

DIVIDENDS ANNOUNCED

		Current payment	Date of payment	Corre-sponding div.	Total for year	Total last year
Amber Industrial	int.	2	Jan 5	1	—	3.5
Angle Scottish Inv.		1.7	Jan 5	1.6	2.6	2.5
Applied Computer	int.	0.5	—	0.3	—	1.3
Bank of Ireland	int.	5.5	Dec 19	5.33*	—	7.66*
John Beales	int.	1.15	—	1	—	3
British Borneo	int.	5	Dec 16	4.35	—	12.8
B & C Shipping	int.	8	Jan 4	7	—	15.5
Buckley's Brewery	int.	0.75	Jan 9	0.75	—	2.45
Caledonia Invests.	int.	7.5	Jan 5	6.5	—	15.5
Central & Sherwood	int.	Nil	—	Nil	—	0.3
Drayton Cons. Trust		6.5	—	6.3	8.5	8.3
Electra Investment	int.	1.62	—	1.54	—	3.3
Elswick-Hopper	int.	Nil	—	Nil	—	0.03
Great Portland Est.	int.	1	Jan 26	1	—	5
Holyrood Rubber	int.	15	Jan 5	10	—	30
Intervision Video		0.5	Jan 13	0.5	1	1
Kuala Selangor Rbr.	int.	4.5	Jan 5	4.5	—	13.5
LWT (Holdings)		6.58	—	6.58	11.08	11.08
North Atlantic Secs.		2	—	1.75	3	3.1¶
Oil and Associated	int.	1.23	—	1.23	—	4.38
Staveley Inds.	int.	4.5	Jan 3	4.5	—	19
Unilever	int.	10.57	Dec 23	9.96	—	28.83
Unilever NV	§int.	4.44	Dec 23	4.44	—	12.04
Valor	int.	1.07	Jan 20	0.93	—	3.5
Whittington Eng.	int.	1.4	—	1.4	—	4.2

Dividends shown pence per share net except where otherwise stated.
* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. ‡ USM stock. § Gross florins throughout. ¶ Including special payment of 0.85p.

Central & Sheerwood changing strategy as recession still bites

REFLECTING THE depth of the recession in some of the sectors of its operations, Central & Sheerwood has run into a loss in the first half of 1983.

And it would be imprudent to predict any significant improvement in trading in the second half over that experienced in the first six months, the directors warn shareholders.

They have a strategic plan aimed at considerably reducing borrowings and eventually changing the product mix and, as a first move, are disposing of Trianco-Redfyre Group for £4.2m cash. That will reduce borrowings by a like amount and increase shareholders' funds by £1.3m.

Thy have also made a new move at board level with the appointment of a chief executive, tha aim being to unify and strengthen control over group companies.

In the half-year group turnover fell from £55m to £40.02m and trading profit was down by nearly £1m to £1.16m. After administration expenses and interest there was a loss of £415,000, compared with a profit of £278,000 for the corresponding period and with £41,000 for the whole of 1982. Taking a tax charge and minorities, leaves the attributable loss at £612,000 (profit £229,000) equal to deficit of 1.08p (0.23p earnings) per share.

The decrease in turnover stemmed from poor demand for the group's capital goods in world markets, and very weak demand for some products in the distribution division. Also some subsidiaries were sold towards the end of last year and are; therefore, excluded this time.

There are few signs of any major recovery in these areas of operations in the immediate future, the directors state.

A divisional break-up of the turnover and the trading profit shows (in £000s): engineering £33,278 (£42,530) and £1,027 (£2,070); distribution £3,498 (£9,613) and loss £102 (profit £41); printing and publishing £2,354 (£2,143) and £213 (£68); and financial services £890 (£724) and £20 (loss £31).

Shareholders will be asked in general meeting to approve the sale of the assets and business of Trianco-Redfyre Group to its existing management. It is part of the engineering division and manufactures and distributes solid fuel and oil heating appliances.

● comment

The most hopeful fact to emerge out of yesterday's half-time figures from Central & Sherwood is that a change of management is on the way. But it was not good enough to stop the shares falling another 2p to 9.5p yesterday. For the record, the halving of engineering profits is due to a sharp downturn at Ransomes & Rapier and another £700,000 or £800,000 loss from Newton Chambers. In the last acounts shareholders' funds of £24.3m were propping up debt of nearly £21m. In an attempt to chop something away from the overbearing interest charge C & S is selling Trianco-Redfyre, a business that was described as "excellent" in the last accounts. The company seems to have stepped on to the treadmill of selling the good bits to hold up the bad. And vague talk from the management of further acquisitions financed by medium-term debt is little comfort given the overall picture. The new managing director has a formidable task while a "penny stock" share about sums up the investment qualities of C & S.

Interest trims Ansbacher to £1.15m

A FALL in interim taxable profits from £1.3m to £1.15m is reported by Henry Ansbacher Holdings, merchant banker.

Virtually static profits at the operating level of £1.54m (£1.53m) were trimmed by a holding company interest debit this time of £82,000 compared with a £122,000 credit.

All operations, except insurance broking, increased their contributions. Disclosed profit from banking rose from £0.46m to £0.56m, shipbroking increased to £161,000 against £129,000, trust management moved up to £179,000 (£172,000), and there was a £61,000 (nil) contribution from metal broking. Profits from insurance broking declined by £198,000 to £573,000.

The directors say that prospects for the second half are reasonably encouraging, although major improvement throughout the group will only come if and when world trade is up, and the shipping industry and metal markets come out of their very depressed state.

For the year to March 31 1983 the company recorded pre-tax profits of £2.22m (£23,0001 and paid a single dividend of 3.5p.

Group turnover, excluding the banking division, for the opening half of the current year to September 30 1983 was £5.26m against £4.58m. Tax absorbed £282,000 (£256,000) giving an attributable balance of £849,000 (£1.01m). Earnings per 50p share on a net basis are given as 3.2p (4.1p) and on a nil basis 3.9p (4.9p).

Strong demand lifts Valor to £1.4m

THE 26 WEEKS ended September 30 1983 have been good for Valor. Turnover expanded from £24.5m to £33.95m and the profit before tax surged from £771,842 to £1.35m.

Mr M. Montague, chairman, says that prospects generally continue to look good and the company is assured of a record financial outcome. Recently, production has been increased further, though the extent to which this can continue to be justified remains to be seen.

Principal reason for the good half is the "excellence and success" of the company's products, particularly the new Valor Vogue gas cooker and the Valor Homeflame. The general upturn in consumer spending has been less helpful to the overall sale of gas appliances than other household goods, he explains.

"The company's gain has come primarily from its ability to innovate, which shows no sign of diminishing. The next range of products, not yet on the market, is every bit as good," the chairman claims.

The engineering division has made a useful contribution, improved by no longer having to bear the losses of Valor Partridge, the drop forging operation which ceased to trade in August. Throughout the group, during the period under review, the total workforce has been increased by over 300 people.

Overseas subsidiaries have traded well, and the export performance also has been good.

After tax of £345,810 (£217,351) the net profit for the half year came out at £1.01m (£554,491). Earnings were 6.08p (3.92p) basic and 5.72p (3.73p) fully diluted. The interim dividend on capital increased by the rights issue of February is 1.074p (0.934p)—the total for the year 1982-83 was 3.5p paid from pre-tax profits of £2.65m.

Of the company's oil and gas interests, the trial well in the English Channel has been completed at a total cost to Valor of £220,000.

The consortium leader has described the outcome as an "exploration success and an economic disappointment." It will not be until the spring of 1985 that it will be appropriate to conduct the next trial well.

Modest income from U.S. oil and gas, where company has ten small wells in Ohio, has been above expectation, which will be helpful to the tax situation.

● comment

Given that demand for gas appliances does not seem to be benefiting very much from the current consumer spending spree, Valor has done well to boost first-half sales by 38 per cent, a figure which must reflect a volume gain of at least a quarter. It is difficult to explain this fully but the company's explanation does at least sound feasible—that it has a design edge on its competitors. Valor claims that its gas log fire is the only one of its kind on the market and one of its cookers is a "first" with its fold-down flat top. If products like these can steal market share, then there is every hope that the growth trend can be sustained through the new range, which carries the "promise" of being equally innovative. Elsewhere, the company has put its toe into the lucrative U.S. market but it is still early days for any appreciable return. The same can be said for the more speculative oil and gas exploration venture. Nevertheless, at least £3.5m pre-tax looks possible this year which, if taxed at the rate of 20 per cent, puts the shares 133p down 4p on a prospective p/e of over 7.

British Borneo rises to £0.86m

AN UPTURN in pre-tax profits from £485,000 to £855,000 is reported by British Borneo Petroleum Syndicate for the half year to the end of September 1983. Comparative figures have been adjusted following changes in accounting policy.

The net interim dividend is lifted from 4.35p to 5p. In the last full year a final of 8.45p was also paid.

The company carries on business as an investment holding and dealing company.

Total market value of listed investments came to £19.24m (£15.46m at March 31) showing an unrealised appreciation of £15.66m (£11.85m).

Total income of £1.13m (£792,000) included profit on dealing activities which expanded from £47,000 to £375,000. Short-term interest received and other income increased from £63,000 to £67,000. Income from investments was the same-again at £608,000, and from oil- and gas-producing properties income grew from £19,000 to £83,000.

There were exchange losses of £3,000 compared with profits of £66,000.

Pre-tax profits were struck after charging amortisation of U.S. oil and gas producing properties of £22,000 (£26,000). Administration expenses took £58,000 (£55,000) and consultants fees £38,000 (£32,000).

Interest payable was down from £190,000 to £154,000. Expenditure on Canadian oil and gas exploration ventures was £2,000 (same).

Intervision down but optimistic

AN 8.5 per cent decline in pre-tax profits from £666,000 to £609,000 has been shown by Intervision Video for the year to the end of June 1983. Turnover of this distributor of pre-recorded video cassettes expanded from £5.67m to £5.82m.

The final dividend of the company, which arrived on the USM in March this year, is held at 0.5p, which maintains the total at 1p.

During the last six months, the directors say the company has been developing video leasing, which is opening up a new range of retail outlets by supplying libraries of feature films for which the dealer pays a fixed weekly charge for a contracted period of either nine months or a year.

The company is now one of the largest in this field and is aiming specifically at tobacconists, garages, off-licences and other outlets where video tape libraries are presently not installed.

The growth of this business since May of this year, although small as yet, has been dramatic.

The company is also looking closely at ancillary areas of investment within software communications since distribution of software for personal computers and related equipment is a related equipment is a natural adjunct for the company's distribution organisation.

At the trading level profits declined from £761,000 to £609,000—last time there were exceptional debits of £95,000.

Tax this time came to £204,000 after which extraordinary debits of £217,000 (£7,000) included compensation of £75,000 to former directors, £115,000 USM application costs, and £31,000 in abortive merger negotiation costs.

Basic net earnings per 10p share, excluding extraordinary items fell from 3.72p to 1.7p—on a nil distribution basis they fell from 3.72p to 2.12p.

Great Portland £0.69m lower

Exceptional repairs arising on the refurbishment of buildings cost Great Portland Estates £665,000 more at £820,000 in the six months ended September 30 1983 and reduced the group's profits at the pre-tax level from £8.21m to £7.52m.

However, after a much lower tax charge of £3.45m, compared with £4.15m, available profits were maintained at £4.07m and the interim dividend is being held at 1p net per 50p share.

Gross rental income improved from £8.01m to £8.45m.

In their report for the 1982-83 year the directors said they remained confident about the long-term growth prospects of the group.

Losses mount at P. Panto

Higher pre-tax losses of £140,000 against £84,000 were incurred at P. Panto in the 24 weeks to June 10 1983.

This wholesale tobacconist, confectioner and grocer increased its turnover from £12.84m to £14.92m but suffered a loss at the trading level of £24,000 compared with a £21,000 profit.

The loss was further increased at the taxable level with the cost of finance rising to £116,000 (£105,000).

Redundancy costs have substantially added to the poor results and losses in 1983 will be high, the directors state.

Liverpool and Canning Town operations have been merged with those of Wrexham and Rainham respectively. The company has reduced from 18 depots to 12 with approximately the same turnover.

The sales of the Maidstone and Hull warehouses have been completed and negotiations are in progress in connection with the remaining properties available. As a result of this and other measures, company's aim is to reduce finance costs next year by approximately £30,000.

In 1984, the company will save £40,000 by reducing remuneration of directors.

In recognition of the action being taken and the time necessary for the plan to be reflected in the results £500,000 of the overall facilities provided by company's bankers has been converted to a seven year loan with a two year capital repayment rest.

Next year will be the first complete year of operating from the enlarged branches and so the realistic target can only be to stem the large losses and achieve a near break even situation.

For the period there were exceptional credits of £23,000 (£28,000) and extraordinary debits of £45,000 (nil), being branch and departmental closure costs and surplus on sale of goodwill.

The company has close status. There is no dividend payment, the last being a final distribution of 0.3p in July 1982.

External Trust

The net asset value per £1 share of the External Investment Trust rose to 430.9p in the six months to September 30 1983. At the end of the corresponding period last year it was 269.4p.

Taxable revenue for the period was up at £616,552, against £442,536, including profit from the investment dealing subsidiary of £128,570, compared with £19,292.

Tax absorbed £261,866 (£189,731). The interim dividend payment is lifted to 5p (4.5p).

Electra Investment

As at September 30 1983, net asset value of Electra Investment Trust had risen sharply to 114.95p per 25p share, compared with 78.08p a year earlier.

Earnings per share for the six months to September were ahead from 1.62p to 1.79p and the interim dividend is stepped up to 1.617p (1.54p) net—last year's final was 1.76p.

First-half profits increased from £3.75m to £3.99m, before tax of £1.34m (same) and a minority credit of £5,000 (nil). Gross revenue amounted to £6.15m, against £5.74m.

BRITISH-BORNEO PETROLEUM SYNDICATE, P.L.C.

INTERIM REPORT FOR THE HALF YEAR TO 30th SEPTEMBER 1983

At a meeting of the Board of British-Borneo Petroleum Syndicate, P.L.C. held today it was resolved to pay an interim dividend of 5.0p (1982/83 4.35p) per 10p unit of stock. In the hands of a United Kingdom stockholder this interim dividend is equivalent, with the applicable tax credit, to 7.1429p (1982/83 6.2143p).

The dividend will be paid on *16th December 1983 to stockholders registered at the* close of business on 18th November 1983.

Following the changes in accounting policy referred to in the annual Report and Accounts for the year to 31st March 1983 the results for the half year to 30th September 1982 have been adjusted. The principal adjustments are (1) Unrealised losses of £210,506 on investments held by the Parent Company have been deducted from Profit on dealing activities, (2) Unrealised Exchange Profits on Currency Conversions of £65,788 have been brought into Profit and Loss Account, (3) Provision of £27,917 has been made for Amortisation of US Oil and Gas Producing Properties. For the half year to 30th September 1983 Profit on dealing activities includes a credit of £43,072 in respect of unrealised losses on investments recovered since 31st March 1983.

The unaudited results, based on historic costs, for the half year to 30th September 1983 are as follows:

	Half year to 30th September 1983	*1982* (Adjusted)	*Year to 31st March 1983*
Profit on dealing activities	£375,003	£46,902	£504,111
Short Term Interest receivable and other income	67,468	52,787	106,842
Income from Investments	608,305	607,884	1,025,533
Income from Oil and Gas Producing Properties	82,815	18,849	105,060
Exchange (Loss)/Profit on Currency Conversions	(3,264)	65,788	25,333
	1,130,327	792,210	1,766,879
Amortisation of US Oil and Gas Producing Properties	(32,493)	(27,917)	(55,834)
Administration Expenses	(57,561)	(54,557)	(111,801)
Consultants Fees	(38,428)	(31,545)	(93,352)
Interest payable	(154,432)	(190,489)	(346,781)
Expenditure on Canadian Oil and Gas Exploration Ventures	(1,937)	(2,455)	(4,773)
Profit on Ordinary Activities before Taxation	855,476	485,247	1,154,338
Taxation	(290,695)	(194,987)	(372,760)
Distributable Profits	564,781	290,260	781,578
Dividends	225,000	195,750	576,000
	£339,781	£94,510	£205,578

Net Assets of the Company and its Subsidiaries at 31st March and 30th September 1983, were as follows:

		30th September 1983 (Unaudited)		*31st March 1983* (Audited)
Fixed Assets				
Oil and Gas Interests		£272,296		£294,896
Listed Investments held by subsidiary (Market Value £1,179,960 March 83 £1,009,558)		581,786		581,786
		854,082		876,682
Net Current Assets				
Listed Investments (at lower of cost or Market Value) (Market value £18,064,187 March 83 £14,455,418)	3,003,622		3,032,071	
Unlisted Investments (at cost)	173,197		116,682	
Sterling Certificate of Deposit	—		350,000	
Cash at bank	1,103,430		968,129	
Other (Debtors less liabilities falling due within one year)	58,593		(490,421)	
Net Current Assets		4,338,842		3,976,461
Total Assets less Current Liabilities		5,192,924		4,853,143
Less: Long Term Bank Loans		2,618,301		2,618,301
		£2,574,623		£2,234,842

The above financial information does not amount to full accounts within the meaning of Section 1 of the Companies Act 1981. The results for the year to 31st March 1983 have been extracted from the *full* accounts which received an *unqualified auditors' report* and have been filed with the Registrar of Companies.

The total market value of the listed investments, shown under Fixed and Current Assets, was £19,244,147 at 30th September 1983 and £15,464,976 at 31st March 1983 showing an unrealised appreciation of £15,658,739 and £11,851,119 respectively.

By Order of the Board
RUSSELL LIMEBEER
Secretaries
10th November 1983

Pembroke House, 40 City Road, London EC1Y 2AD

Applied Computer Techniques (Holdings) plc

Interim Results

Unaudited Interim Results for the half year ended September 30th 1983, are as follows:

	6 months to September 30th 1983 £000's	6 months to September 30th 1982 £000's
Turnover	20,016	8,026
Profit before tax	1,813	791
Profit after tax	1,259	475
Ordinary Dividends	67	34
Earnings per share	9.34p	4.23p
Ordinary Dividend per share	0.50p	0.30p

Growth
in profits came primarily from distribution, software and maintenance.

Software
and maintenance currectly account for about 40% of group profits.

Apricot
orders exceeded best expectations with a backlog of 10,000 orders worldwide.
First month of production 1,000 machines already delivered.

Prospects
for the second half of our financial year indicate further record results.

Foundations
have been laid for ACT to become a major integrated computer company with the skills and expertise to provide for the information processing requirements of a wide range of customers at home and abroad.

Applied Computer Techniques (Holdings) plc
ACT House, 111 Hagley Road, Edgbaston, Birmingham B16 8LB.
Telephone: 021-454 8585. Telex: 339396

UK COMPANY NEWS

Pericom to join USM via placing

By William Dawkins

Pericom Data Systems is to become the latest computer-related company to join the Unlisted Securities Market.

It was founded in 1975 by its current chairman, Mr Ron Cragg, and manufactures and markets a range of terminals which are designed to be fully compatible with most computers on the market. They enable machines of different designs to converse. Pericom's customers include British Telecom, BP, Shell and the Ministry of Agriculture, Fisheries and Food.

The company will be coming to the USM via a placing with institutions and private clients by brokers Capel Cure Myers and Albert E. Sharp of Birmingham. The issuing house is Barclays Merchant Bank.

Following the placing of about 25 per cent of the enlarged equity, Mr Cragg will retain his majority stake in the company, although he will be selling a small proportion of his own holding. None of the other four directors are planning to sell their shares in Pericom.

ICFC now holds about 35 per cent of the equity, but it is not known how much of that it will be placing.

In the year to September 30 1983, Pericom made £985,000 before tax on a turnover of £7.2m. Pre-tax profits have risen steadily from £52,000 in 1979.

The company is making no profits forecast for the current year, but it reports an "encouraging level of orders."

Pericom is likely to come to the market on a fully-taxed historic multiple of just over 25, which points to a market capitalisation of around £12m.

Futura profit

A profit, albeit small, against a loss was made by Futura Holdings in the six months to July 9 1983. Turnover for the period was £1.56m compared with £1.48m and the taxable surplus was £14,443 compared with a £17,651 deficit.

Production volume, of this footwear manufacturer and distributor, has increased slightly, and it is hoped that this will be maintained.

The directors anticipate a trading profit for the year similar to the £335,000 earned in 1982, and have declared an increased interim dividend of 1.5p against 1.3125p.

Tax for the opening period was £7,510 (credit £9,179) leaving a net profit of £6,933 (deficit £8,472) equal to earnings per share of 0.68p (loss 1.37p).

BIDS AND DEALS

Siebe jacks up Tecalemit bid terms

BY RAY MAUGHAN

Siebe Gorman has set a ceiling and a time limit on a revised offer with £18.3m for Tecalemit, the garage equipment manufacturer. However, although Tecalemit has not responded formally to the increased terms, and will not do so until the offer documents are published, there was every indication yesterday that the group would continue to resist *Siebe Gorman's bid.*

The new terms now comprise a straight option between all equity and all cash. The equity offer is made up of three new Siebe shares for very 20 Tecalemit stock units, amending the earlier five-for-forty basis of exchange.

Taking Siebe at 357p, down 1p yesterday, these revised terms value Tecalemit at 53.55p per stock unit and the whole group at £18.3m. The alternative is now a straight cash offer of 990p for every 20 Tecalemit stock units, which values each unit at 49.5p. The cash alternative has been underwritten at 330p per Siebe share, or a 7½ per cent discount to the prevailing market price.

The bidder is also forecasting a dividend increase of 11.2 per cent for the year to March 31 1984 to 9.45p net per share, or 13.5p gross per share. Accepting Tecalemit stock holders would be entitled to retain the declared 0.8p net per unit and therefore the income uplift to those holders taking Siebe's equity *would be 38 per cent.*

Siebe says it will not increase this offer and that it will lapse on December 2 unless it has gone unconditional as to acceptances. It points out that its share offer represents a rise of 84 per cent on Tecalemit's stock price prevailing before the original offer, and that the cash offer represents a 70 per cent improvement.

Full acceptance of the equity offer would entail the issue of 4.69m new Siebe shares which would amount to a quarter of the enlarged ordinary capital. Siebe acquired 1.25m Tecalemit stock units in the market, in two lines, which add up to 3.75 per cent of the equity. It already held 15.57 per cent, including 6.94 per cent acceptances.

As the Tecalemit board weighed up the revised approach, it pointed out that Siebe had not said anything about its profits for the half year ended September—which would normally be published in December—nor given any indication of the anticipated results for the full financial year.

The defence insists once more that there is no commercial logic to the deal and, in the absence of a forecast, the value of the bidder's shares is therefore "vulnerable." Moreover, unless Siebe increases its dividend beyond the new distribution forecast, accepting shareholders would suffer a reduction in income next year.

Siebe acknowledges that it would have to lift next year's dividend by about 11 per cent once more to make up any income shortfall.

Finally, the Tecalemit board says that the cash offer "does not do justice to stockholders since it does not fully reflect either the recovery to date or the asset value and the longer term prospects."

3i backing new team in Meggitt diversification

BY RAY MAUGHAN

A new management team, backed by Investors in Industry (3i), will be appointed to the board of loss-making machine tool distributors Meggitt Holdings with the aim of taking the group into the electronics and energy markets.

Mr Kenneth Coates and Mr Nigel McCorkell will be resigning from the board of Flight Refuelling in the near future to take up the posts of managing director and finance director *respectively.*

3i and Mr Coates and Mr McCorkell have acquired an aggregate 14.997 per cent stake in Meggitt from the board, at 30p per share, and 3i will be tendering for a similar stake to other shareholders at the same price. The quote, suspended at the beginning of the month at 38p, should be restored this morning.

Following the tender, 3i will underwrite a one-for-one rights issue, again at 30p per share, and the purchasers will take up their own entitlements to 1.3m new ordinary shares. Arrangements have been made to sub-underwrite the remainder. On completion, Mr Coates and Mr McCorkell will each hold 4.99 per cent of the enlarged equity and 3i will have a 19.996 per cent stake.

Net rights issue proceeds will amount to £1.3m from which Meggitt will draw £500,000 to repay bank overdrafts which have resulted from past trading losses. The board estimate that the group lost £225,000 in the year to October against a £379,000 deficit in the previous year.

Following the extraordinary meeting which will be convened to sanction the rights issue, Mr J. King, Mr C. Maddox and Mr J. Nash will resign from the board. The present chairman, Mr J. Tyler, will remain in that position and it is expected that a non-executive director will be *appointed shortly.*

An executive share incentive scheme is to be created, comprising the grant of options to subscribe for up to 600,000 new shares at the prevailing market price. Mr Coates and Mr McCorkell will each be granted an option to subscribe 250,000 new shares.

Following the completion of these proposals, Capel-Cure, Myers will become brokers to the group in place of Laurence, Prust.

Atlanta Baltimore £3.1m agreed bid for Construction

Atlanta, Baltimore and Chicago Regional Investment Trust has launched an agreed £3.1m takeover bid for fellow investment trust Construction Holdings.

Atlanta is offering Construction shareholders a variety of considerations: a straight equity offer, a preference and part-cash *offer on an all-cash offer.*

The share exchange and preference offers values each Construction share at 330p, while the all-cash offer is worth 300p. In the market Construction's price closed 22p higher at 297p, while Atlanta held steady at 132p.

The board of Construction has put its weight behind the offer and intends to accept in respect of 35 per cent of the equity. The asset value of the target company is £2.7m.

Atlanta was itself the subject of a bid when Arab-backed Morgan Credit gained equity control earlier this year. The company later tried to acquire British Industries & General Investment but withdrew in the face of a rival offer from London Investment Trust.

Mr Tony Cole, who took executive control following Morgan's offer, said yesterday that "this is the first step in expanding Atlanta's capital base. This acquisition will enable us to increase funds under management by Atlanta Fund Managers through the liquidation of Construction Holdings."

The terms of the offer are: for each ordinary Construction share ordinary Atlanta shares to 110 per cent of Construction asset value; new 7 per cent convertible equivalent to Construction net asset value; new 7 per cent convertible redeemable cumulative preference shares to the value of 110 per cent of Construction's asset value.

Downiebrae Holdings

Downiebrae Holdings has taken another step in its rationalisation programme through the sale of the group's profiling activity at Tamworth.

Steel Profiles is being sold to Lycett Fabrications (1982) with effect from December 1 1983. The plant and stock has been sold at a written down value and cost respectively, realising approximately £250,000, which will be paid in cash.

Downiebrae will retain the property, which will be subject to a 25 year lease. The overall benefits to the group are a £400,000 reduction in borrowings, together with an annual income from the property of £50,000.

BIDS AND DEALS IN BRIEF

The further and final allotment of shares in Management Agency and Music has been made, in accordance with the March acquisition agreement of its 75 per cent interest in Research Recordings.

Under the acquisition terms, upon certification of the accounts of RR for the year ended April 30 1983 a further allotment of a *maximum of 375,000 ordinary of* MAM, valued at 115p per share, would be made to the vendor, Mr Michael Abrahams.

This maximum was dependent upon the profits of RR—before tax and after adjustments for items which were considered to be of a non-recurring or extraordinary nature—for the year 1982-83 being not less than £250,000.

This condition has been satisfied and accordingly the maximum number of shares has been allotted and the full consideration thereby satisfied.

* * *

By close of business on November 9 the offer by Pritchard Service Group for Spring Grove had been accepted by holders of 30.24m Spring Grove ordinary (91.2 per cent).

Pritchard will compulsorily acquire the balance of shares on the same terms as those of the offer.

* * *

Boots Drug Stores (Holdings) plans to offer $64.50 a share for all of Boots Drug Stores (Canada) preferred shares.

Boots holdings said the offer will be conditional on a 90 per cent acceptance, and that the purpose of the offer was to eliminate the small minority of Boots Canada shareholders. This would turn it into a wholly owned unit of Boots Holdings.

Boots Holdings owns all of the ordinary shares and 30 per cent of the preferred shares of Boots Canada, or 98.2 per cent of voting rights. A successful bid would cost $450,000.

* * *

Terms have been agreed whereby Ess-Food will offer to acquire the issued share capital of Danish Bacon which it does not already own.

It is proposed to implement the acquisition by means of a Scheme of Arrangement. Danish Bacon shareholders will be offered 115p cash in consideration of cancellation of each "A" ordinary share, 85p cash in consideration of cancellation of each preference share and 115p cash for each "B" ordinary share.

Danish Bacon directors (excluding the five directors who also represent Ess-Food), and their advisers consider the terms fair and reasonable and propose to recommend all "A" and Preference holders to vote in favour of the Scheme of Arrangement; all "B" holders to accept the "B" offer and all shareholders to vote in favour of the Special Resolution required to effect the Scheme of Arrangement.

* * *

Owners Abroad Group has agreed terms to purchase a Boeing 727-217 aircraft from Canadian Pacific Air Lines for U.S.$7.15m (approximately £4.81m). The aircraft will be leased to Dan-Air from the date of delivery to October 31 1991, subject to Dan-Air's right to terminate the lease at six months' notice on or after the fifth anniversary of the delivery date or at three months' notice from November 1 1990. The deal is subject to shareholders' approval.

Asset Special

Investment income of the Asset Special Situations Trust rose to £78,880 for the six months ended September 30 1983 and a net interim dividend of 0.43p is being paid per 10p share.

The results compare with the nine months to September 30 1982 when an investment income amounted to £28,644. For the 15 months to March 31 1983 dividends totalled 1.35p, of which 0.63p was paid as an interim, 0.3p as a special payment and 0.42p as a final.

Net profit for the half year emerged at £42,864 (£106,892 for nine months) after taking in interest on short-term deposits of £609 (£176,160) and fee and other income of £18,574 (£20,000) and deducting administration expenses of £23,333 (£28,225), interest charges of £16,591 (£2,587) and tax of £15,275 (£87,000).

Net assets per share amounted to 37.6p (29.1p).

The directors say that as compared with the first nine months of the trust for the period to end-September 1982, when a large proportion of the funds were on short-term deposit, the trust is now fully invested and at September 30 last there were additional bank borrowings amounting to just under £400,000.

Drayton Cons.

Net revenue at Drayton Consolidated Trust slipped from £3.06m to £3.01m. Net asset value per 25p share increased from 238½p to 331½p.

The net asset value is calculated on increased ordinary capital which would exist if converted unsecured loan stocks were wholly converted on the next conversion dates.

The net final dividend has been lifted from 6.3p to 6.5p which raises the total from 8.3p to 8.5p.

Tax amounted to £959,000 (£1.64m).

Wemyss Investment

Profits of the Wemyss Investment Trust rose from £642,998 to £669,448 for the year to September 30 1983 before tax of £271,674, compared with £253,239. The dividend is held at 20p net per £1 share.

Franked income slipped from £369,034 to £348,585 but unfranked income pushed ahead from £349,920 to £404,187. Underwriting commissions amounted to £7,410 (£1,691) and administration expenses £90,734 (£77,647). Earnings rose by 0.4p to 17.7p.

Henry Ansbacher Holdings PLC

Interim Statement

Interim unaudited results for the half year ended 30th September, 1983

		Half year ended 30th September 1983 £'000		1982 £'000
Turnover (excluding Banking Division)		5,247		4,579
Operating profit				
Banking (disclosed profit)		561		458
Insurance broking		573		771
Shipbroking		161		129
Trust management		179		172
Metal broking		61		—
		1,535		1,530
Less: Holding company interest	(82)		122	
Other central costs	(305)		(354)	
		(387)		(232)
Profit before taxation		1,148		1,298
Taxation		(282)		(256)
Profit after taxation		866		1,042
Minority interests		(17)		(29)
Profit attributable to shareholders		849		1,013
Disclosed earnings per share				
Net basis		3.2p		4.1p
Nil basis		3.9p		4.9p

The results for the first half year reflect rapidly increasing activity in the merchant bank, Henry Ansbacher & Co. Limited, which has absorbed the costs involved in setting up two international offices and has still performed above expectations. Corporate finance income in particular has been strong, and expansion looks set to continue in the second half year. Insurance broking, on the other hand, is still suffering, as is Shipbroking, from a very depressed marine market, which has a long way to recover before it returns to normal conditions. Trust management has performed steadily, but Metal broking has had to absorb the costs of moving to new offices. Central costs have been inflated by termination payments and the cost of unused premises as operating divisions have moved.

Prospects for the second half year are reasonably encouraging, although major improvement throughout the Group will only come if and when world trade picks up, and the shipping industry and metal markets come out of their current very depressed state.

Henry Ansbacher Holdings PLC
One Noble Street, London EC2V 7JH

UK COMPANY NEWS

Applied Computer at £1.8m midterm and sees record outcome

Applied Computer Techniques (Holdings) more than doubled turnover and profits in the six months to September 30 1983.

Turnover was 149 per cent higher at £20.02m against £8.03m and the taxable surplus rose by 129 per cent from £791,000 to £1.81m.

The strong growth was primarily attributable to distribution, software and maintenance supported by the supplies and bureau divisions. Shareholders interim distribution has been lifted to 0.5p, compared with 0.3p. Last year's final payment was 1p with pre-tax profits at £2.17m on turnover of £22.78m.

Mr Lindsay Bury, the chairman, foresees record results in tha second half with the first impact of the new Apricot microcomputer, from which the Pulsar, maintenance, office products and UK distribution operations are already beginning to benefit.

No revenue from Apricot was included in tha interim results. Start-up costs in making the Glenrothes factory ready for volume production were substantial.

Since the July launch of Apricot, orders have exceeded expectations. More than 1,000 computers were delivered in the first month of prodnction and the current order book exceeds 10,000.

Mr Bury says, "ACT has signed soma very valuable overseas distribution contracts and there is every sign that the Apricot will establish a significant presence in world markets."

He adds, "the ACT Sirus 1 consolidated its position as market leader in the UK for 16-bit personal computers. The installed user base is now approaching 20,000 machines, and monthly sales have been running at over 1,100."

The ACT Sirus 1 has the greatest voluma of software available and the largest dealer network, while the prodnct is extremely competitively priced and deliveries are availabla from stock.

The software divisions, Pulsar micro computer packages and Quarsar investment banking software experienced a very sharp rise in profits in the first half, as did the engineering and maintenance division. These two divisions currently account for about 40 per cent of group profits.

Pulsar is now on sale on the Apricot as well as the Sirus and IBM machines, and is firmly established among the UK market leaders. Quarsar sales now number stockbrokers, merchant banks, clearing banks, investment trust groups and pension funds among its client base.

The prospects are for further substantial growth in these activities which represent a high margin of earnings for ACT generating a strong cash flow.

Tax for the first half was £554,000 (£316,000) leaving net profits at £1.26m (£475,000). Earnings per share are shown as rising from 4.23p to 9.34p.

● comment

As ACT moves into the fast lane, with Apricot coming on line while Sirius achieves record sales, the market finds it harder to make up its mind about the company's prospects. It has the "high tech" tag of a P/E in the 25 range with good immediate prospects. So far it has managed to maintain margins on tha competitive personal computer hardware business while building up the proportion of profits—now 25 per cent—from the much higher margin software business. Before Apricot has hardly hit the High Street, enhancements are about to be announced. A major new personal computer will probably be launched next year. As profits from existing lines grow then development costs are expected to be a considerably smaller proportion of turnover. Apricot should make some contribution at the year-end and pre-tax profits of £4.5m are well in sight. It has pulled out of the distribution agreement with the troubled Victor company and is now exporting Apricot overseas including a £10m order from Germany for 8,000 computers. The shares which had risen ahead of the figures closed 5p down at 400p.

Barget to raise £1.2m as growth is halted

A THREE-YEAR run of profits growth has been halted at Barget with the announcement of a £548,000 taxable loss, compared with a £360,000 profit, in the first half of 1983.

However, a proposed £1.18m net capital injection coupled with recently adopted strategies should have a significant effect in improving group trading results in 1984 over present levels, tha directors say.

The injection of capital is via an underwritten rights issue on the basis of three for two at 25p (par) per share.

The rights proceeds will be used to reduce borrowings, provide additional working capital, purchase the remaining 25 per cent of Meubles Francais (Reproductions) and provide funds for modest diversification of activities into areas complementary to current group activities.

In July it was announced that the company would ceasa manufacturing furniture. This operation will be replaced gradually, the directors say, with the importing of a wider range of kitchen furniture and associated appliances. Its other interests are in international trading and contract services.

Turnover for the opening half was £1.44m (£4.21m). After a tax credit of £40,000 (nil), minorities £19,000 (£4,000) and an extraordinary debit this time of £30,000 the group loss was £557,000 (profit £356,000).

Staveley Industries passes £2m midway

FOLLOWING A rise in trading profits from £2.89m to £3.26m the taxable surplus of Staveley Industries advanced by £470,000 to £2.01m in the first 26 weeks to October 1983. The comparatives are for the 25 weeks to September 25.

The interim dividend of this electrical and mechanical services, and weighing and components concern is being maintained at 4.5p net per £1 share —for the last year a total of 13p was paid from pre-tax profits of £4.29m (£7.05m).

First half turnover moved up from £71.21m to £78.36m and taxable profits were struck after lower interest charges of £1.26m (£1.35m). Tax took £300,000 (£307,000)

The directors say the integration and restructuring of the electrical and mechanical services business area, following the acquisition of MJN, has been completed. The outcome is the setting-up of three sub-groups covering building services, industrial electrical, and international activities.

Currently this business area is holding its own, despite a depressed market in the UK, largely due to successful performance in specialised areas and abroad, they say.

They expect the weighing and components area to return to profit in the current financial year, largely due to steps taken in Electroscale Corporation in the U.S. and the improving market there.

The group's non-destructive testing interests continue to develop and the directors are pursuing plans for further expansion. They report that in the current year it will not be easy to reach the level of profits reported last year from these activities, partly due to the high value of the U.S. dollar, which is affecting exports, and partly due to consolidation costs as this new grouping becomes homogeneous.

British Salt continues to make an important contribution to the group's overall profitability and has had a satisfactory first six months, the directors say.

Williams Machinery in Western Canada has continued to produce a loss, and the group has decided to restructure the business into two smaller units. This will involve a write-off of excess resources which are no longer relevant to the company's market position and the size of the market. The amount involved will be provided as an extraordinary item in the accounts for the full year.

The directors are continuing their restructuring and investment programme and the financial situation remains satisfactory, they conclude.

The improved pre-tax profit figure for the opening half was still well down on the £3.26m earned in the first half of 1980-81.

● comment

Practically all of Staveley's 31 per cent increase in pre-tax profits is thanks to loss elimination from the Kearns-Richards machine tool manufacturer, which ceased trading last October. Beyond that, profits from industrial measurement—30 per cent of which come from exports from the U.S.—slipped substantially due to the strength of the dollar and a decline in demand from the oil and gas industry. Staveley is still pinning its hopes on that division to spearhead its thrust away from heavy engineering towards high technology. The group says it may announce a further acquisition in that sector next week, with another purchase to come in January. Meanwhile, Electroscale, which lost £500,000 in the comparable period, was nearly profitable following a change of management and its performance continues to improve in the current half. The worst of the costly exodus from machine tools is over. but Staveley still has to prove that the strategy is working effectively. The shares rose 5p to 216p yesterday morning, capitalising the group at £35m, but stayed at that level after the results were announced.

Arenson reduces loss as recovery begins

HEAVY LOSSES by both its U.S. and domestic furniture operations left the Arenson Group £706,000 in the red at the pre-tax level for the year to July 31, 1983.

However, this was a reduction of £246,000 on the previous year's deficit and Mr A. Arenson, the chairman, says the elimination of loss-making activities, together with other substantial cost savings, have now enabled the group to "move into a period of recovery and a return to profitability in the current year."

He points out that 1982-83 was a most difficult year during which a major reappraisal of the group's business strategy was undertaken together with a retrenchment and reorganisation of its trading operation.

The group suffered heavy losses in the U.S., where it had a division engaged in the distribution of office furniture, and also in its manufacturing division which produced low-priced, high-volume domestic rigid furniture for the UK market.

Mr Arenson says both these divisions were closed by the and of the year with the attendant heavy running-down and closure costs. He adds that as part of its plans to reduce borrowings, tha group disposed of certain assets surplus to requirements and in doing so incurred "substantial book losses."

Had it not been for these problems, the resolving of which incurred heavy extraordinary and non-returning costs and placed a heavy burden on interest charges, Mr Arenson says the group would have shown a profit for the year.

As stated in the chairman's report last year the group aimed to rednce stocks and borrowings during the period. Progress has been made in both respects and further progress is anticipated during the current period.

The office equipment division, the main core of the group's business, has considerably strengthened its dominant position in the UK markat by the introduction of new products in the latter half of the year.

Turnover for 1982-83 slipped from £16.18m to £15.76m and operating profits amounted to £67,000 (£88,000 loss) before taking account of finance charges of £773,000 (£864,000).

Tax took £15,000 (£31,000) and extraordinary debits £859,000, against £298,000 previously. This left a deficit of £1.58m (£1.28m).

Undiluted loss per 10p share emerged at 7.52p (10.47p).

Buckley's falls to £364,950

A 10.7 per cent reduction in trading profit coupled with a big increase in interest payable has left the first-half pre-tax profit of Buckley's Brewery showing a drop of 22.3 per cent, from £469,887 to £364,950. The interim dividend is hald at 0.75p net per share.

The trading profit of this Llanelli-based undertaking for the period to October 1 1983 came to £405,759 (£454,245) and comprised: beers £356,552 (£421,348); wines and spirits £38,244 (£35,877); Llan mineral waters £10,743 (£5,889 loss); surplus on sale of properties £250 (£2,909).

BOARD MEETINGS

The following companies have notified dates of board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available as to whether the dividends are interims or finals and the sub-divisions shown below are based mainly on last year's timetable.

TODAY

Interims: Berkeley and Hay Hill Investments, A. F. Bulgin, J. E. England (Wellington), Hunting Gibson, Personal Assets Trust, Platignum, Sisters Food Products.

Finals: Barton Transport, GR (Holdings).

FUTURE DATES

Interims:—

Butterfield-Harvey	Dec 6
Derhand Stamping	Dec 7
Dominion International	Nov 28
Extel	Nov 24
Geers Gross	Nov 18
Hargreaves	Dec 1
Powell Duffryn	Nov 24
Southwest Resources	Nov 21
Steinberg	Nov 30

Finals:—

Higsons Brewery	Nov 24

COMPANY NOTICES

NIPPON MEAT PACKERS INC.
(CDRs)

The Company has announced at the Tokyo Stock Exchange the business results and forecast for the current term (August 1, 1982 through July 31, 1983).

	current term	previous term
Sales	344,895	328,039
Profit before tax	13,488	11,570
Profit for the term	9,896	4,777
Profit per share	Yen 32.43	Yen 26.32

Figures in million yen unless otherwise specified.

Amsterdam, 4th November, 1983

AMSTERDAM DEPOSITARY COMPANY NV.

KOMATSU FORKLIFT CO., LTD.
(CDRs)

The undersigned announces that the Annual Report 1983 of KOMATSU FORKLIFT CO., LTD. will be available in Luxembourg at: Banque Générale du Luxembourg SA and further in Amsterdam at: Algemene Bank Nederland NV, Amsterdam-Rotterdam Bank NV, Bank Mees & Hope NV, Pierson, Heldring & Pierson NV, Kas-Associatie NV.

AMSTERDAM DEPOSITARY COMPANY NV.

CLUBS

LEGAL NOTICES

THE QUEENBOROUGH ENGINEERING LIMITED

NOTICE IS HEREBY GIVEN pursuant to Section 293 of the Companies Act, 1948, that a Meeting of the Creditors of THE QUEENBOROUGH ENGINEERING LIMITED will be held at The Connaught Rooms, Great Queen Street, London, W.C.2. on Wednesday, the 16th day of November, 1983 at 12 o'clock noon, for the purposes mentioned in Sections 294 and 295 of the said Act. Dated the 27th day of October 1983.

By order of the Board.

Director or Secretary.

Unilever results

The Directors of Unilever announce the results for the third quarter and for the first nine months of 1983, and the interim Ordinary dividends in respect of 1983.

UNILEVER COMBINED RESULTS ON AN HISTORICAL COST BASIS (£ millions)

Third Quarter 1983	Third Quarter 1982	Increase/(Decrease)		Nine Months 1983	Nine Months 1982	Increase/(Decrease)
3,391	3,220	5%	SALES TO THIRD PARTIES	10,071	9,748	3%
213	200	7%	OPERATING PROFIT	605	587	3%
10	10		Concern share of associated companies' profit before taxation	31	37	
1	—		Income from trade investments	2	2	
(5)	(13)		Interest	(28)	(35)	
(17)	(19)		Interest on loan capital	(50)	(54)	
12	6		Other interest	22	19	
219	197	11%	PROFIT BEFORE TAXATION	610	591	3%
(100)	(87)		Taxation on profit of the year	(277)	(268)	
—	—		Taxation adjustments previous years	—	4	
(11)	(10)		Outside interests and preference dividends	(28)	(26)	
108	100	8%	Profit attributable to ordinary capital	305	301	1%
(3)			Difference on translation of 1983 results at end September 1983 rates of exchange	(11)		
105	100	5%	PROFIT ATTRIBUTABLE TO ORDINARY CAPITAL	294	301	(2)%
34	42		—PLC	121	145	
71	58		—N.V.	173	156	
28.27p	26.92p	5%	Combined earnings per share — per 25p of capital	79.15p	81.03p	(2)%

Exchange Rates The results for the quarter and the first nine months and the comparative figures for 1982 have been translated at comparable rates of exchange. These are based on £1=Fl.4.23=U.S.$1.61, which were the closing rates of 1982. An exception has been made for the results that have arisen in hyper-inflationary economies, which for the current quarter and current nine months have been translated at forecast closing rates for 1983. The profit attributable to ordinary capital for the current quarter and current nine months has also been translated at the rates of exchange current at the end of September 1983 being based on £1=Fl.4.41=U.S.$1.49.

Results

In the third quarter of 1983 sales volume was 3% higher than in the corresponding quarter of 1982. Sales value was 5% higher. Operating profit was up by 7%.

In Europe results were considerably better than in 1982 and sales volume in total rose by 2.5%. All consumer groups had improved profits, particularly frozen products, food and drinks and personal products. Of the industrial groups, animal feeds, chemicals and paper, plastics and packaging did better. The results of the transport group were however disappointing.

In North America profits and sales volume were better than in 1982; both Lipton and National Starch performed excellently in the quarter.

Trading conditions in UAC International's main areas of operation continued to be adverse; in consequence sales volume and profits suffered in comparison with the third quarter of 1982.

Our businesses throughout the rest of the world continued to make a substantial contribution to the concern's results; their total sales volume and profits were better than in 1982.

The higher income from other interest reflects the considerable increase in net liquid funds.

DIVIDENDS

The Boards today declared interim dividends in respect of 1983 on the Ordinary capitals at the following rates which are equivalent in value at the rate of exchange applied in terms of the Equalisation Agreement between the two companies:

PLC
per 25p Ordinary share — 10.57p (1982: 9.96p)

NV
per Fl.20 Ordinary capital — Fl.4.44 (1982: Fl.4.44)

The PLC interim dividend will be paid on 23rd December, 1983 to shareholders registered on 8th December, 1983.

The NV interim dividend will be payable as from 20th December, 1983.

For the purpose of equalising PLC's and NV's dividends under the Agreement, the Advance Corporation Tax ("A.C.T.") in respect of any dividend paid by PLC has to be treated as part of the dividend. PLC's 1983 interim dividend now announced has been calculated by reference to the current rate of A.C.T. (3/7ths): if the effective rate applicable to payment of the dividend is different the amount will be adjusted accordingly and a further announcement made.

10th November, 1983

Unilever Quarterly Results are reprinted in leaflet form.
If you wish to be included in the mailing list for these leaflets please write to:
Public Relations Department, P.O. Box 68, Unilever House, London EC4P 4BQ.

Part of everyday life, in 75 countries.

GTE Finance N.V.

(Incorporated with limited liability in the Netherlands Antilles)
(Wholly owned indirect subsidiary of GTE Corporation, U.S.A.)

Successfully completed dual currency bond issue of September 5th, 1983.

AMOUNT OF ISSUE:
SFR 165,000,000 (US $74.3 million)

REDEMPTION VALUE:
US $99,000,000 in 1993

Represents 6th public Eurobond issue without guaranty.

Financial information for the fiscal year ended January 31st, 1983

Total Assets:	US $1.178 Million (87% invested in U.S.A.)
Shareholder's Equity:	US $376 Million
Net Income:	US $55 Million

Copies of the Annual Report available from:

GTE Finance N.V.
Apna Plaza, Schouwburgweg 28
Curacao, Netherlands Antilles

GTE International
7, Place du Molard
1204 Geneva, Switzerland

COMPANY NEWS

Better performance reflected in Bank of Ireland profit

SOME RECOVERY has been made by the Bank of Ireland in the first six months to September 30 1983, but "significant further progress" will be necessary to restore the rate of return on capital to that achieved in earlier years.

Group trading profit moved up from £26.5m to £34.5m, reflecting improved performance in the bank and in the instalment credit subsidiaries, with a continued satisfactory performance in the merchant bank. The bank contributed £25.5m (£21.4m), subsidiaries £8.3m (£4.5m) and associates £700,000 (£600,000). The balance before tax rose from £21.9m to £29m on a historical basis, and from £1.6m to £12.2m after CCA adjustments.

The trading performance and the trend in inflation in the second half should enable the group to rebuild some of the capital base eroded by Government levies which have severely hit the second-half results over the past three years, the directors state. "Provided the Government does not again impose a levy," they stress.

Historical profit attributable came to £22.9m (£19.1m) for earnings of 35p (24.6p). The interim dividend is 5.5p against the equivalent of 5.33p.

There was some reduction in overall loan loss provision at £20.7m (£22.4m) despite a need for increases in the agricultural sector.

The directors are optimistic about the future results of the UK instalment finance company, British Credit Trust. In the half-year it made a profit of £1.51m, against a loss of £400,000, and in the current term sales are good. And with falling interest rates they expect improved results from this company in the next two years.

● comment

Whether you look at the current cost or the historic cost pre-tax profit, the result is a welcome, if modest improvement from the Bank of Ireland. The shares rose 15p to 265p despite only a notional improvement in the interim dividend at 5.5p. Lower interest rates have helped instalment credit sales. Liquidity is improved and the Bank has had less recourse to money markets in this period. Ir£7.1m was added to the revenue reserves compared with a reduction of Ir£3.2m for the same period last year. The bank's cautious optimism this time last year was not borne out so it is quiet on prospects. But analysts heartened by the all round improvement expect historic pre-tax profits of around £60m for the year. The dividend will depend on the size of the government tax levy from *which the bank is unlikely to escape.*

John Beales edges ahead

Taxable profits of **John Beales Associated Companies** rose marginally from £217,000 to £220,000 for the half-year to September 19 1983. Sales of this underwear and outerwear manufacturer reached £9.6m, against £6.05m.

The board is confident that results for the year as a whole will show an increase on last year's £461,000 pre-tax, although the level of improvement depends almost entirely on the company's ability to sustain adequate margins.

The year-end date in future will be May 31 and the current period is therefore being extended by 11 weeks to end-May 1984.

The net interim dividend is stepped up from 1p to 1.15p per 20p share—last year's final was 2p. Mid-term earnings per share were 5.7p (5.6p) basic and 5.2p (same) fully diluted.

Trading profits were unchanged at £181,000. Interest and property income added £75,000 (£69,000) and £1,000 (£2,000) respectively, but interest payable took £37,000 (£35,000).

Yearling bonds total £23.9m

A total of £23.88m has been raised by local authority quoted yearling bonds this week. The issues have been struck at par with a coupon of 9¹¹⁄₁₆ per cent.

This week's issues are: Barking & Dagenham (London Borough of) (£½m); Cherwell District Council (£½m); Pendle (Borough of) (£¼m); Carlisle (City of) (£1m); Gateshead (Borough Council of) (£625,000); Mole Valley DC (£½m); Reigate & Banstead (Borough of) (£½m); South Oxfordshire DC (£½m); South Pembrokeshire DC (£½m); Torfaen Borough Council (£½m); Birmingham (City of) DC (£2m); Dundee (City of) DC (£1m); Glasgow (City of) DC (£1¼m); Lambeth (London Borough of) (£1m); Taunton Deane BC (£½m); Camden (London Borough of) (£1m); Ealing (London Borough of) (£1m); Dudley Metropolitan BC (£½m); Islington (London Borough of) (£1½m); Lewisham (London Borough of) (£2¼m); Durham (City of) (£½m); Greenwich (London Borough of) (£1m); Sheffield (City of) (£2½m); Southwark (London Borough of) (£2m); Wigan (Metropolitan Borough of) (£1m).

MINING NEWS

Echo Bay gold output on target despite shortfall

BY GEORGE MILLING-STANLEY

PROBLEMS WITH the treatment plant led to a 10 per cent reduction in gold output at Echo Bay Mines during the third quarter. This produced net profits for the three months of C$1.69m (£920,000), down from the second quarter level of C$2.14m.

However, the early completion of the Canadian company's C$6m expansion programme should enable it to make up the shortfall and still meet its production target of 120,000 ounces of gold for the year.

The latest profit, struck after the payment of C$3.6m in dividends on preferred shares, brings the total for the first nine months of 1983 to C$5.2m. Comparisons with the previous year are not relevant as Echo Bay's Lupin gold mine, at Contwoyto Lake in Canada's Northwest Territories, did not come into commercial production until October 1 1982.

The mine milled an average of 895 tons of ore a day during the third quarter, down from the 971 tons rate of the three months to June.

Mr John Zigarlick, president, said the decline in milling rate was caused by "a malfunction in the tertiary ore crushing process."

The average mill head grade in the third quarter was 0.344 oz (10.7 grammes) of gold per ton, compared with 0.353 oz in the second quarter. Gold recovery has been running at a rate of 94.4 per cent recently, compared with the design rate of 92.5 per cent.

The expansion programme, originally scheduled to be finished by the end of this year, was completed on November 1. This will lift gold production capacity from 121,000 oz to 140,000 oz per year.

Echo Bay sold 30,060 oz of gold at an average price of US$420 per ounce in the third quarter, compared with 29,805 oz at a price of US$424 in the second quarter.

The company has also sold forward 10,200 oz of expected fourth-quarter output at US$434, and 19,300 oz of 1984 production at US$491.

A special meeting of shareholders of IU International, the U.S. diversified services group which controls Echo Bay with 86.6 per cent of the capital, yesterday approved the proposed spin-off of the gold producer.

All of the Echo Bay shares held by IU will be issued to IU holders on a one-for-one basis, and any shares not taken up will be sold in the market. The offer is expected to be tax-free to holders in the U.S. and Canada.

INTERNATIONAL ROUND UP

The weakness of the Zimbabwe dollar meant that the gold price in local currency rose to Z$423 (£274) in the September quarter, compared with Z$419 in the previous three months. This helped Falcon Mines to overcome the problems of reduced output and the marginal profitability of the Venice mine and produce net profits of Z$1.2m, little changed from the Z$1.26m of the June quarter.

Falcon declared a dividend of 40 cents (25p) in October, and this will be paid to foreign shareholders from the company's London and Johannesburg offices in local currency on or about December 16, provided there are no changes in Zimbabwe's exchange control regulations before then.

The company is concerned at the rate of increase in working costs, and warns that the additional electricity surcharge, which raised power charges by almost half, will be felt fully in the current quarter.

Israel's diamond polishing industry, which has been in the doldrums for two years, has experienced a marked improvement in demand in the past few months.

Exports of polished gemstones for the month of October totalled US$114m (£76m), well ahead of the figure for October last year, and the cumulative total for the first 10 months of the year at US$849m is an increase of 13.4 per cent over the figure for the same stage of 1982.

Much of the improvement can be attributed to greater competitiveness on the part of the Israeli industry, in the wake of the closures and lay-offs caused by the downturn in demand in 1981.

* * *

The main feature of the latest edition of the Register of Australian Mining 1983-84, one of the most useful reference works on the industry, is a marked expansion in the size of the sections covering gold exploration.

Coverage of this area of activity takes up almost twice the space of previous editions, reflecting the boom which is taking place in Western Australia and Queensland.

Mr Ross Louthean, editor, repeats a plea for greater communication on the part of the industry to counter the efforts of the vocal minority of the population which is opposed to the mining business.

The Register is available from Australian Consolidated Press, GPO Box 4088, Sydney, New South Wales, Australia 2001, price A$90 or A$110 for the overseas airmail edition.

BANK RETURN

	Wednesday November 9 1983	Increase (+) or Decrease (—) for week
BANKING DEPARTMENT		
Liabilities	£	£
Capital	14,553,000	—
Public Deposits	34,771,851	— 4,617,074
Bankers Deposits	667,246,466	+ 67,469,710
Reserve and other Accounts	1,626,667,772	— 34,781,144
	2,343,239,089	+ 28,071,497
Assets		
Government Securities	371,190,857	— 115,605,000
Advances & other Accounts	857,426,176	+ 4,091,159
Premises Equipment & other Secs.	1,106,728,246	+ 137,044,153
Notes	7,743,208	+ 672,806
Coin	150,602	— 31,601
	2,343,239,089	+ 28,071,497
ISSUE DEPARTMENT		
Liabilities	£	£
Notes Issued	11,390,000,000	— 10,000,000
In Circulation	11,382,256,792	— 10,672,806
In Banking Department	7,743,208	+ 672,806
Assets		
Government Debt	11,015,100	—
Other Government Securities	3,696,947,805	+ 288,327,011
Other Securities	7,685,037,095	— 298,327,011
	11,390,000,000	— 10,000,000

BASE LENDING RATES

A.B.N. Bank	9 %	■ Hill Samuel §	9 %
Allied Irish Bank	9 %	C. Hoare & Co. †	9 %
Amro Bank	9 %	Hongkong & Shanghai	9 %
Henry Ansbacher	9 %	Kingsnorth Trust Ltd.	10 %
Arbuthnot Latham	9 %	Knowsley & Co. Ltd.	9½%
Armco Trust Ltd.	9 %	Lloyds Bank	9 %
Associates Cap. Corp.	9½%	Mallinhall Limited	9 %
Banco de Bilbao	9 %	Edward Manson & Co.	10 %
Bank Hapoalim BM	9 %	Meghraj and Sons Ltd.	9 %
BCCI	9 %	Midland Bank	9 %
Bank of Ireland	9 %	■ Morgan Grenfell	9 %
Bank Leumi (UK) plc	9 %	National Bk. of Kuwait	9 %
Bank of Cyprus	9 %	National Girobank	9 %
Bank of Scotland Ω	9 %	National Westminster	9 %
Banque Belge Ltd.	9 %	Norwich Gen. Tst.	9 %
Banque du Rhone	10 %	R. Raphael & Sons	9 %
Barclays Bank	9 %	P. S. Refson & Co.	9 %
Beneficial Trust Ltd.	10 %	Roxburghe Guarantee	9½%
Bremar Holdings Ltd.	9 %	Royal Trust Co. Canada	9 %
Brit. Bank of Mid. East	9 %	Standard Chartered ‖	9 %
■ Brown Shipley	9½%	Trade Dev. Bank	9 %
CL Bank Nederland	9 %	TCB	9 %
Canada Perm't Trust	10 %	Trustee Savings Bank	9 %
Castle Court Trust Ltd.	9½%	United Bank of Kuwait	9 %
Cayzer Ltd.	9 %	United Mizrahi Bank	9 %
Cedar Holdings	9 %	Volkskas Intnl. Ltd.	9 %
■ Charterhouse Japhet	9 %	Westpac Banking Corp.	9 %
Choulartons	10½%	Whiteaway Laidlaw	9½%
Citibank Savings ¶	10½%	Williams & Glyn's	9 %
Clydesdale Bank	9 %	Wintrust Secs. Ltd.	9 %
C. E. Coates	9½%	Yorkshire Bank	9 %
Comm. Bk. of N. East	9 %		
Consolidated Credits	9 %		
Co-operative Bank *	9 %		
The Cyprus Popular Bk.	9 %		
Dunbar & Co. Ltd.	9 %		
Duncan Lawrie	9 %		
E. T. Trust	9½%		
Exeter Trust Ltd.	10 %		
First Nat. Fin. Corp.	11 %		
First Nat. Secs. Ltd.	10½%		
Robert Fraser	10 %		
Grindlays Bank ‡	9 %		
■ Guinness Mahon	9 %		
■ Hambros Bank	9 %		
Heritable & Gen. Trust	9 %		

■ Members of the Accepting Houses Committee.
* 7-day deposits 5.5%. 1-month 5.75%. Short-term £8,000/12 months 8.1%.
† 7-day deposits on sums of: under £10,000 5½%, £10,000 up to £50,000 6½%, £50,000 and over 7½%.
‡ Call deposits £1,000 and over 5½%.
‖ 21-day deposits over £1,000 6½%.
§ Demand deposits 5½%.
¶ Mortgage base rate.
Ω Money Market Cheque Account—6.80%. Effective annual rate—8.16%.

S & U STORES PLC

The unaudited results for the group for the half year ended 31st July, 1983 are announced as follows:

	1983	1982
Profit before tax	£425,295	£458,419
Preference dividend (to be paid on 31st March, 1984)	£4,200	£4,200

Group turnover for the half year is £14,300,093 as against £13,599,423 last year.

The results for the half year are slightly discouraging but it is anticipated that the figures for the year as a whole will be very similair to last year.

There is no dividend on preferred ordinary and ordinary shares. The preference dividend is being paid normally.

D. M. Coombs, chairman and managing director,
S & U STORES PLC
51/53 Edgbaston Street, Birmingham B5 4QH.

ANGLOVAAL GROUP

DECLARATION OF PREFERENCE DIVIDENDS

DIVIDENDS HAVE BEEN DECLARED payable to holders of preference shares registered in the books of the undermentioned companies at the close of business on 2 December 1983. The dividends are declared in the currency of the Republic of South Africa. Payments from London will be made in United Kingdom currency and the date for determining the rate of exchange at which the currency of the Republic will be converted into United Kingdom currency will be 12 December 1983, or such date as set out in the conditions subject to which the dividends are paid. These conditions can be inspected at the registered office of the London Secretaries of the companies. Warrants in payment of the dividends will be posted on or about 30 December 1983. The transfer books and registers of members of the companies will be closed from 3 to 9 December 1983, both days inclusive. All companies mentioned are incorporated in the Republic of South Africa.

Name of company	Class of share	No.	Dividend declared Amount per share cents
Anglovaal Limited	6% Cumulative redeemable preference	91	6
Anglovaal Limited	5% Cumulative redeemable second	72	5
Middle Witwatersrand (Western Areas) Limited	8% Redeemable cumulative preference	23	4

By order of the boards
Anglovaal Limited
Secretaries
per: E. G. D Gordon

Registered Office:
Anglovaal House
56 Main Street
Johannesburg 2001

London Secretaries:
Anglo-Transvaal Trustees Limited
295 Regent Street
London W1R 8ST

10 November 1983

SECTION III – INTERNATIONAL MARKETS
FINANCIAL TIMES
Friday November 11 1983

Congress rejects plan to cut dairy support prices, Page 42

WALL STREET

Pace of the advance slows down

THE announcement of Wednesday's successful auction of Treasury securities helped Wall Street's financial markets again yesterday. But investors remained cautious in both the fixed interest and stock markets and gains were of modest proportions, *writes Terry Byland in New York.*

The bond market strengthened at the end of the session awaiting news from the auction of 30-year bonds. With markets closed today for Veterans Day, dealers were earlier unwilling to take on board any sizeable lines of debt securities.

Leading stocks quickly extended their gains of the previous day when trading opened, but the pace soon slowed down. Turnover showed an increase and buying support spread to both the American Stock Exchange and the Nasdaq market where the broad range of smaller issues are traded.

The Dow Jones Industrial average closed up 3.35 at 1,235.87.

But the advance lacked conviction and the second line issues were left out of the picture as the bond market quietened down ahead of the holiday weekend.

AT&T topped the active list with turnover boosted by a substantial block trade but the price was $⅝ off at $63⅜.

IBM jumped $1⅝ to $125¾ as investors decided that the recent shakeout had been overdone. National Semiconductor at $52⅜ gained $1⅛ and other technology issues to move ahead included Honeywell, $2 up at $128, and Texas Instruments $3⅜ higher at $129⅞.

Other strong features included General Dynamics, $⅞ up at $56¼ after announcing higher profits for the third quarter.

ITT at $41⅜ and General Motors at $75⅝ were both a shade lower in their ex-dividend form. Chrysler added $⅛ to $26⅜ and Ford $⅛ to $65⅞.

Minnesota Mining, $1¼ higher at $86¼, and Monsanto, $⅜ up at $106¼, stood out well among the industrial majors.

A major casualty on the reporting front was Walt Disney productions which fell $11⅛ to $47⅛ after a heavy setback in profits.

In the oil sector, Diamond Shamrock Corporation and Standard Oil of Ohio both fell back as they were heavily traded following rumours that the Alaskan Mukluk prospect, in which both have a major stake, may not produce the quantity of oil originally expected.

Diamond Shamrock traded $1 off at $23 while Sohio was $1⅞ lower at $48⅜.

Airlines looked mixed as profits were taken after a period when the sector has outperformed the market.

Pan American slipped back by $⅛ to $7⅜ and American Airlines shed $⅛ to $35.

Rail stocks, too, looked mixed with Burlington Northern edging ahead by $⅛ to $103¾ but CSX, $⅝ off at $23⅛.

Alexander & Alexander, the insurance broking group, turned $¼ higher to $19⅝ after disclosing a turnround into profit.

In the bond market, the 30-year bonds due for auction later in the session, traded on a yield only basis at 11.82 per cent, compared with 11.74 per cent late on Wednesday. The existing long bond moved in tandem, standing at 102⅜.

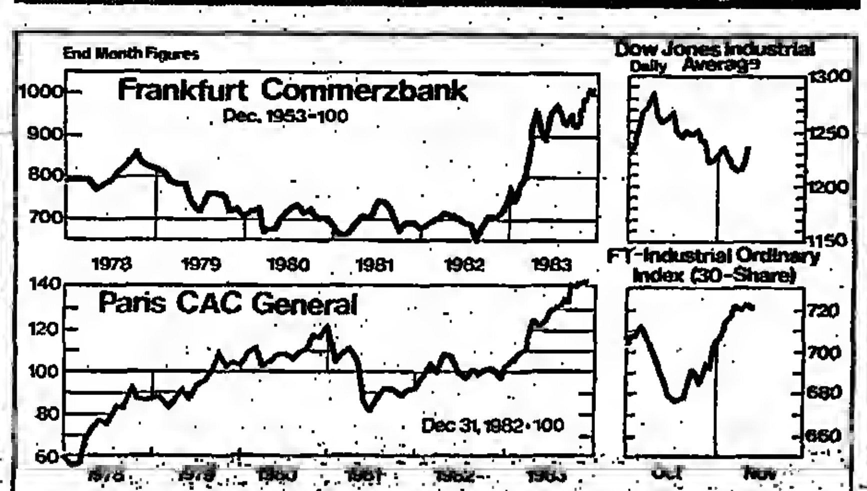
The 10-year notes priced at 99⅛ in Wednesday's auction edged up to par in yesterday's market. Customer repurchases of $2bn from the Fed had little effect, and neither did $1bn in coupon purchases.

But helping the mood was an easing in the Federal funds rate from 9⅝ per cent when the Fed intervened to 9¼ per cent.

However, dealers stressed that the bond market was settling itself down ahead of the long holiday weekend.

Treasury bill rates at 8.76 per cent for three months and 8.93 per cent for six, showed little change.

KEY MARKET MONITORS



STOCK MARKET INDICES

	Nov 10	Previous	Year ago
NEW YORK			
DJ Industrials	1235.87	1232.52	1044.52
DJ Transport	590.43	590.15	448.89
DJ Utilities	136.71	137.04	121.03
S&P Composite	164.41	163.97	141.16
LONDON			
FT Ind Ord	720.6	721.8	631.3
FT-A All-share	449.97	448.12	387.48
FT-A 500	486.71	485.62	433.2
FT-A Ind	442.63	441.46	405.15
FT Gold mines	515.4	513.1	374.4
FT Govt secs	82.55	82.26	85.33
TOKYO			
Nikkei-Dow	9244.24	9297.1	7688.16
Tokyo SE	679.96	682.64	564.08
AUSTRALIA			
All Ord.	708.9	705.8	518.9
Metals & Mins.	527.6	527.9	432.7
AUSTRIA			
Credit Aktien	53.62	54.34	47.54
BELGIUM			
Belgian SE	126.88	126.44	99.35
CANADA			
Toronto Composite	2456.9	2439.9	1876.0
Montreal Industrials	432.37	426.71	331.99
Combined	416.49	411.95	318.69
DENMARK			
Copenhagen SE	189.96	189.96	90.86
FRANCE			
CAC Gen	142.1	140.8	102.0
Ind. Tendance	151.7	149.8	122.1
WEST GERMANY			
FAZ-Aktien	341.77	337.28	233.62
Commerzbank	1016.1	1003.4	710.1
HONG KONG			
Hang Seng	837.27	866.76	857.79
ITALY			
Banca Comm.	183.31	184.41	160.9
NETHERLANDS			
ANP-CBS Gen	138.3	135.7	99.2
ANP-CBS Ind	110.4	109.3	75.6
NORWAY			
Oslo SE	200.89	195.56	104.93
SINGAPORE			
Straits Times	929.09	921.45	745.49
SOUTH AFRICA			
Golds	751.6	720.1	678.9
Industrials	895.1	887.0	676.1
SPAIN			
Madrid SE	129.14	128.97	106.08
SWEDEN			
J & P	1404.47	1398.56	752.6
SWITZERLAND			
Swiss Bank Ind	352.9	353.4	269.8
WORLD	Nov 9	Prev	Yr ago
Capital Int'l	178.4	176.9	149.5

GOLD (per ounce)

	Nov 10	Prev
London	$382.625	$383.375
Frankfurt	$381.75	$383.25
Zürich	$382.50	$383.50
Paris (fixing)	$383.99	$381.54
Luxembourg (fixing)	$382.00	$379.90
New York (Nov)	$381.70	$381.80

* Indicates latest pre-close figure

CURRENCIES

(London)	U.S. DOLLAR Nov 10	U.S. DOLLAR Previous	STERLING Nov 10	STERLING Previous
$	–	–	1.4905	1.485
DM	2.659	2.67	3.965	3.9675
Yen	234.5	235.55	349.75	350.0
FFr	8.0925	8.13	12.06	12.07
SwFr	2.153	2.17	3.2125	3.225
Guilder	2.977	2.993	4.44	4.445
Lira	1611.75	1617.5	2402.0	2402.0
BFr	54.08	54.29	80.6	80.6
C$	1.23475	1.23525	1.8395	1.8345

INTEREST RATES

	Nov 10	Prev
Euro-currencies (three month offered rate)		
£	9⅞	9⅞
SwFr	4⅛	4[illegible]
DM	6[illegible]	6[illegible]
FFr	13¼	13¼
FT London Interbank fixing (offered rate)		
3-month U.S.$	9⅞	10
6-month U.S.$	10	10⅛
U.S. Fed Funds	9¼	9¼
U.S. 3-month CDs	9.40	9.50
U.S. 3-month T-bills	8.73	8.775

U.S BONDS

Treasury	Nov 10 Price	Nov 10 Yield	Prev Price	Prev Yield
10½ 1985	99[illegible]	10.55	99[illegible]	10.67
11⅛ 1990	99[illegible]	11.55	98[illegible]	11.71
11.75 1993	100[illegible]	11.67	100[illegible]	11.80
12 2013	102[illegible]	11.74	101[illegible]	11.86
Corporate	**Nov 10**		**Prev**	
AT & T	Price	Yield	Price	Yield
10[illegible] June 1990	93½*	11.85*	92[illegible]	11.95
3[illegible] July 1990	67[illegible]*	10.85*	67[illegible]	10.85
8[illegible] May 2000	75[illegible]*	12.17*	75[illegible]	12.25
Xerox				
10[illegible] March 1993	92[illegible]*	12.65*	91[illegible]	12.15
Diamond Shamrock				
10[illegible] May 1993	90[illegible]*	12.35*	90	12.45
Federated Dept Stores				
10[illegible] May 2013	86.07*	12.40*	85[illegible]	12.45
Abbot Lab				
11.80 Feb 2013	95.262*	12.40*	94[illegible]	12.45
Alcoa				
12[illegible] Dec 2012	95[illegible]*	12.90*	94[illegible]	12.95

FINANCIAL FUTURES

CHICAGO	Latest	High	Low	Prev
U.S. Treasury Bonds (CBT) 8% 32nds of 100%				
December	70-30	70-31	70-10	70-09
U.S. Treasury Bills (IMM) $1m points of 100%				
December	91.10	91.12	91.02	91.01
Certificates of Deposit (IMM) $1m points of 100%				
December	90.49	90.50	90.39	90.36
LONDON				
Three-month Eurodollar $1m points of 100%				
December	90.23	90.25	90.20	90.18
20-year Notional Gilt £50,000 32nds of 100%				
December	109-06	109-06	108-17	108-12

COMMODITIES

(London)	Nov. 10	Prev
Silver (spot fixing)	606.95p	602.95p
Copper (cash)	£918.50	£918.50
Coffee (Nov)	£1845.50	£1850.00
Oil (spot Arabian light)	$28.35	$28.40

LONDON

Gilts are again to the fore

CONTINUED optimism on the outlook for UK inflation combined with yields considerations produced another good performance in London for British funds.

Short dated gilts ended with gains to around ¼ point, and occasionally more, in the absence of a tap stock. Rises in later maturities ranged to ⅜ in the 2008 area while index linked stocks added up to ⅛ point.

Leading shares eased marginally in light trading. The Financial Times industrial ordinary index which was up 2.3 at its first calculation in response to Wall Street's overnight performance subsequently drifted lower ending a net 1.2 lower at 720.6.

Leading oil shares had a rather subdued session although Shell added 4p to 570p and Ultramar 10p to 625p in response to satisfactory third quarter trading statements.

Details, Page 37; Share information service, Pages 38-39.

AUSTRALIA

A VIGOROUS Sydney start fell off, particularly among resource issues, when lower than expected demand was encountered from abroad. Hong Kong investors, prominent in the market on Wednesday, failed to follow through with fresh purchases.

The industrials index breached the 900 mark to a peak 904.5, a gain of 6.1. Lend Lease put on 15 cents to A$4.65 and News Corporation continued 10 cents upward at A$9.10. ANZ Bank added 4 cents to A$5.68 but its Melbourne rise was double that, albeit on lower volume.

HONG KONG

RENEWED weakness in the Hong Kong dollar set off a bout of selling as nerves sharpened ahead of Sino-British talks next week on the colony's future. The Hang Seng index relinquished 29.49 to 837.27, although volume remained relatively light.

Reports of a Chinese deadline for accord by next September and suggestions of a UK concession on its administrative presence did not help. Hongkong Land shed 22 cents to HK$2.60, Jardine Matheson 80 cents to HK$10.50 and China Light 50 cents to HK$13.40.

SINGAPORE

A RALLY in Singapore, muted in extent and achieved on thin turnover, was ascribed more to technicalities than any improved sentiment, and by no means all the day's price improvements were maintained by the close.

With the Straits Times industrial index 7.64 better at 929.09, the strongest gains were to be found off the usual list of market leaders. Taiping Textiles jumped 21 cents to S$1.97 in busy dealings.

SOUTH AFRICA

GOLD SHARES remained firm in Johannesburg and provided the impetus to take the broader range of the market higher by the close.

Of the higher priced producers, President Steyn rose R3 to R49. Mining financials shadowed golds, with Anglo American up 15 cents at R19.40 but other mining issues were mixed where traded.

CANADA

THE higher trend seen in Toronto over the previous two sessions carried over into yesterday's trading with early rises over a broad range of the market.

Advances in gold issues were again to the fore with rises also seen in the oils and metals sectors.

A similar firmer tone in Montreal was led by the bank and industrial sectors.

TOKYO

Hitachi heads list of woes

A PLETHORA of unfavourable factors, including reports that Hitachi had agreed to pay $300m to IBM in settlement of their industrial espionage case, combined to send share prices tumbling in Tokyo yesterday, *writes Shigeo Nishiwaki of Jiji Press.*

The Nikkei-Dow market average declined 52.86 from the previous day to close at 9,244.24. Volume shrank to 198.15m shares from Wednesday's 222.83m, reflecting waning buying interest. Declines outnumbered advances 411 to 238, with 199 issues unchanged.

The equity market hardly reacted to helpful factors such as a steep overnight gain on Wall Street and the yen's firmness against the U.S. dollar. It turned bearish on the reports of the Hitachi payment to IBM, following the settlement of a lawsuit filed against the Japanese electronic equipment giant over the alleged attempt to obtain stolen IBM computer secrets.

Hitachi denied the report, but the stock plunged Y28 to Y839 on heavy selling. Turnover amounted to 8.48m shares, the day's largest.

Many other blue chip issues lost ground on small-lot selling, with Sony slipping Y40 to Y3,440, Pioneer Electronic Y30 to Y2,740 and Matsushita Electric Industrial Y20 to Y1,670. Among conspicuous gains was Kyocera, which climbed Y70 to Y7,140.

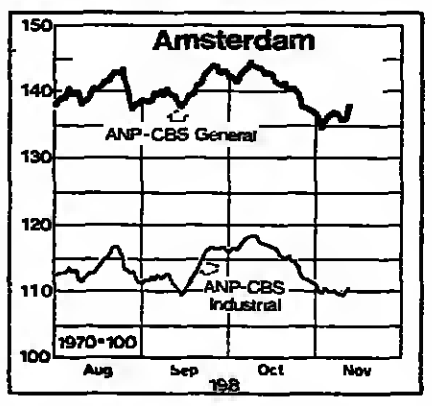
With the approach of the settlements date for margin buying sacrifice selling hit Sanko Steamship, which fell Y8 to Y201.

Amid growing concern over increasing margin debt pressure non-ferrous metal stocks lost strength with Sumitomo Metal Mining Y40 lower at Y1,160. Also losing ground were Kawasaki Steel, down Y3 at Y165; Mitsubishi Heavy Industries, off Y5 at Y246; Clarion, Y36 weaker at Y829; and Minebea, down Y20 at Y890.

Small capital cash stocks continued to attract buy orders, with Godo Shusei gaining Y55 to Y830 and Hodogaya Chemical Y9 to Y378.

The bond market showed signs of a rally in the morning, spirited by a drop in U.S. interest rates and the yen's firmness, but it turned sluggish in the afternoon.

The yield on the barometer 7.5 per cent government bonds, maturing in January 1993, fell steeply to 7.735 per cent in the morning from the previous day's 7.76 per cent, but rose to 7.74 per cent later in the absence of buying interest.



EUROPE

Big three in class of their own

THE BIG THREE bourses left the others standing yesterday. Dutch shares joined those in West Germany and France in a potent advance, well supported in volume terms but smaller financial centres generally languished despite signs of weakness in the dollar against local currencies and a strong lead from New York overnight.

Amsterdam had the additional incentive of well-received results from Royal Dutch-Shell, which put on Fl 3.20 to Fl 135.50. Unilever, another Anglo-Dutch international announcing a better third quarter, gained Fl 3 to Fl 234. The cheer flowed through to the domestic side, taking the general index 2.6 upward at 138.3.

Heineken was muted by its chairman's kidnap and possible ransom implications, firming just 30 cents to Fl 121.1. Philips shook off concern over the lack of success of its video recorder system, rising Fl 1.10 to Fl 42.10.

But publisher Elsevier was again strong, up Fl 6 to Fl 432, and KLM drew further benefit from a London broker's recommendation, improving 90 cents to Fl 167.30. Government paper added an average 30 basis points in quieter dealings.

Late profit-taking robbed **Frankfurt** of some of the better gains, but by its mid-session daily calculation the Commerzbank index of 60 leaders had put on 12.7 at 1,016.1.

The recent bout of corporate failures was thus put behind the market, except for trading in Wibau which resumed after the company had turned to the courts for protection. It plunged DM 18 to DM 44 against a ranking above DM 100 until this month.

Insurer Allianz, still pondering its next UK bid move, continued DM 9 up at DM 829 – as did stores group Horten at DM 187.

Domestic bonds gained more than a half-point, allowing the Bundesbank to unload DM 72.4m of paper.

Activity in **Paris** picked up markedly, with the Armistice Day holiday today no deterrent: the CAC Générale index rose 1.3 to 142.1. Michelin was FFr 15 higher at FFr 810 and l'Oreal up FFr 45 to FFr 2,005.

As Creusot-Loire headed for salvation it recovered FFr 1.80 to FFr 50.

Domestic bonds held up well as news emerged of new issues aimed at raising a total FFr 2.3bn.

A renewed squeeze on the Belgian franc against its French counterpart dampened **Brussels** enthusiasm. Electrobel, targeting its one-for-seven rights issue at BFr 5,700 a share, put on BFr 60 to BFr 8,400; Cockerill Sambre slid BFr 7 to BFr 156.

A mixed **Zurich** showing was illustrated in chemicales where Sandoz slipped SwFr 50 to SwFr 7,125 but unofficially traded Hoffman-La Roche added SwFr 125 to SwFr 9,750. Domestic bonds were steady.

Stockholm made modest progress, although an earnings setback pulled it SKr 1 lower at SKr 155. Fears of new taxes dispirited **Milan**, with Toro off L100 at L11,000, as investors sought safety in a livelier bond market where the switch brought Treasury paper into demand. **Madrid** favoured only steels and chemicals.

NEW YORK STOCK EXCHANGE COMPOSITE CLOSING PRICES

12 Month High	Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Continued on Page 35

AMERICAN STOCK EXCHANGE COMPOSITE CLOSING PRICES

Continued on Page 36

NEW YORK STOCK EXCHANGE COMPOSITE CLOSING PRICES

Continued from Page 34

12 Month High	Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
82¾	33¾	VFCo	s 2	3.0	9	310	67½	66¼	66⅝	−⅞
36¾	17⅞	Valero	.44	2.1	9	429	21⅝	21	21¼	−⅜
27	24½	Valer	pf3.44	14		33	25	24¾	24¾	
7⅝	4	Valeyin				44	4⅛	4⅛	4⅛	
26	15½	VanDrn	1.20	4.8	15	25	25⅛	25¼	25¼	−⅛
9⅞	5	Varco				134	7⅛	7⅛	7⅛	
21	19¼	Varco	pf 2	10		6	19⅜	19¼	19¼	−⅜
63½	27	Varian	s .26	.5	24	853	52⅝	51½	51½	−⅝
21¼	8⅝	Varo	.40	2.8	29	133	14⅛	13⅞	14¼	−½

Continued on Page 36

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week but not the latest trading day. Where a split or stock dividend amounting to 25 per cent or more has been paid the year's high-low range and dividend are shown for the new stock only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.

a–dividend also extra(s). b–annual rate of dividend plus stock dividend. c–liquidating dividend. cld–called. d–new yearly low. e–dividend declared or paid in preceding 12 months. g–dividend in Canadian funds, subject to 15% non-residence tax. i–dividend declared after split-up or stock dividend. j–dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k–dividend declared or paid this year, an accumulative issue with dividends in arrears. n–new issue in the past 52 weeks. The high-low range begins with the start of trading. nd–next day delivery. P/E–price-earnings ratio. r–dividend declared or paid in preceding 12 months, plus stock dividend. s–stock split. Dividends begins with date of split. sls–sales. t–dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u–new yearly high. v–trading halted. vi–in bankruptcy or receivership or being reorganised under the Bankruptcy Act, or securities assumed by such companies. wd–when distributed. wi–when issued. ww–with warrants. x–ex-dividend or ex-rights. xdis–ex-distribution. xw–without warrants. y–ex-dividend and sales in full. yld–yield. z–sales in full.

WORLD STOCK MARKETS

AMERICAN

Continued from Page 35

[illegible]

NEW YORK CLOSING PRICES

Continued from Page 35

[illegible]

CANADA

(Closing Prices) Stock	Nov. 10	Vars.
AMCA Int.	23	+ 1/2
Abitibi	21⅝	- ⅜
Agnico Eagle	15⅝	+ ⅛
Alberta Energy	19½	+ ⅛
Alcan Alumin	45¼	+ ⅛
Algoma Steel	26	- 1
Asbestos	18½	-
Bk Montreal	28⅛	+ ¼
Bk Nova Scotia	43	- ⅛
Bell Canada	31⅝	+ ½
Bombardier A	17	-
Bow Valley	26	+ ⅛
B.P.Canada		
Brascan A	37½	+ ⅛
Brenco	3.0	
B. C. Forest	11⅛	+ ⅛
CIL Inc	28⅝	+ ⅛
Cadillac Fairv.	9	-
Can Cement	-	-
Can NW Energy	26½	+ ⅜
Can Packers	25⅝	-
Can Trustco	45⅝	+ ⅛
Can Imp Bank	31⅞	+ ⅛
Canadian Pacific	49⅝	+ ⅜
Can. P. Ent.	22⅛	-
Can Tyre A	58	- 1½
Carling O'Kfe	22⅛	- ⅛
Chieftain	18	+ ⅛
Cominco	56⅝	+ ⅛
Cons Bathst A	22⅛	+ ⅛
Costain Resources	3.7	-
Coseka	9⅝	-
Denison Mines	44⅛	-
Dofasco	57	-
Dome Mines	15⅝	-
Dome Petroleum	4.3	- 0.05
Dominion Stra.	19⅛	+ ⅛
Dootar	27⅛	+ ⅞
Falconbridge	70½	+ ⅜
Genstar	28⅝	+ ⅝
Giant Y'knife	28	+ ⅜
Gt West Life	275	-
Gulf Canada	17⅝	+ ⅛
Hawk Sid Can	17	+ ⅛
Hudson's Bay	24	+ ⅛
Husky Oil	10⅝	+ ⅛
Imasco	33⅝	+ 1½
Imp Oil A	38⅝	-
Inco	16⅝	- ⅛
Indal	11⅝	- ⅛
Interpr Pipe	32	+ ⅜
LAC Minerals	-	-
Macmil Bloedel	27	-
Marks & Spencer	13⅝	-
Massey-Ferg	6⅛	+ ½
McIntyre Mines	35⅛	-
Mitel	15⅛	- ⅛
Moore Corp	54½	- ⅛
Nat. Sea Prods A	7½	-
Noranda Mines	24½	+ ⅜
Numac Oil	28⅝	+ ½
Nova Alberta	8½	- ⅛
Nthn Telecom	51⅜	+ 1⅜
Oakwood Pet	8⅝	-
Pancanadian Pet	25⅝	+ ⅛
Patino	27½	- 2½
Placer Devt	22⅛	+ ⅛
Power Corp Can	17½	+ ⅜
Quebec Sturgeon	8⅝	- ⅛
Ranger Oil	13⅝	+ ⅛
Reed Stenhse A	12⅛	+ ⅛
Rio Algom	18⅝	- ½
Royal Bank	33⅛	+ ⅛
Royal Trustco A	27⅛	+ ⅛
Sceptre Res	5⅛	-
Seagram	48	-
Simpson Sears A	-	-
Shell Can Oil	24⅛	+ ⅛
Steico	27	+ ⅜
Teck B	11	+ ⅜
Texaco (Canada)	38⅝	+ ½
Thomson News A	37⅛	-
Toronto Dom Bank	17	- ⅛
Transalta A	20⅝	+ ⅛
Trans. Can. Pipe	22⅝	+ ⅜
Walker Hiram	28⅛	+ ⅛
Westcoast Trans	15	-
Weston (Geo)	80⅝	-

AUSTRIA

Nov. 10	Price Sch%	+ or —
Creditanstalt	211	-1
Goesser	320	+2
Interunfall	410	....
Landerbank	212	....
Perlmooser	315	+1
Steyr Daimler	148	-7
Veitscher Mag	195	-1

BELGIUM/LUXEMBOURG

Nov. 10	Price Frs.	+ or —
ARBED	1,212	+2
Banq Int A Lux	4,600	....
Bekaert B	9,990	+5
Ciment BR	1,920	....
Cockerill	156	-7
Delhaize	4,325	....
EBES	2,650	+40
Electrobel	6,400	+80
Fabrique Nat.	2,120	-40
GB Inno BM	2,950	+45
GBL (Brux)	2,295	-5
Gevaert	2,500	+25
Hoboken	4,565	+40
Intercom	1,805	+5
Kredietbank	6,290	+40
Pan Hldgs.	9,200	....
Petrofina	5,750	+80
Royale Belge	6,850	-50
Soc. Gen. Banq	2,815	....
Soc. Gen. Belge	1,540	-20
Sofina	4,955	+35
Solvay	3,515	-35
Traction el	3,245	+95
UCB	4,085	+40
Vieille Mont	3,195	+50

DENMARK

Nov. 10	Price Kr%	+ or —
[illegible]		

FRANCE

Nov. 10	Price Frs.	+ or —
[illegible]		

GERMANY

Nov. 10	Price Dm.	+ or —
[illegible]		

ITALY

Nov. 10	Price Lire	+ or —
[illegible]		

NETHERLANDS

Nov. 10	Price Fls.	+ or —
[illegible]		

NORWAY

Nov. 10	Price Kroner	+ or —
[illegible]		

SPAIN

Nov. 10	Price Pts%	+ or —
[illegible]		

SWEDEN

Nov. 10	Price Kronor	+ or —
[illegible]		

SWITZERLAND

Nov. 10	Price Frs.	+ or —
[illegible]		

AUSTRALIA

Nov. 10	Price Aust. $	+ or —
ANZ Group	6.68	+0.04
Acrow Aust.	1.25	....
Alliance Oil D.	0.90	....
Ampol Pet.	2	+0.05
Aust Cons Ind.	1.7	-0.01
Aust. Guarant.	3.70	....
Aust. Nat. Inds.	2.7	....
Aust. Paper	2.36	+0.05
Bond Hldgs.	1.22	+0.07
Boral	3.10	+0.02
B'ville Copper	2.4	+0.02
Brambles Inds.	32.5	....
Bridge Oil	3.2	+0.05
BHP	12.75	....
CRA	5.72	-0.04
CSR	3.76	-0.05
Carlton & Utd.	2.9	+0.02
Castlemaine	4.25	+0.1
Coles (G.J.)	3.65	-0.15
Comalco	3.10	....
Consolidated Pet	0.56	....
Costain	1.45	....
Dunlop	1.45	+0.05
E.Z. Ind.	6	+0.2
Elders IXL	4.06	-0.02
Energy Res.	1.58	-0.02
Gen Prop Trust	1.95	....
Hardie (J.)	3.60	....
Hartogen Energy	2.6	+0.1
Herald W'y Times	3.00	....
ICI Aust.	2.1	+0.03
Jimb'lana (50cFP)	0.2	....
Kia Ora Gold	0.2	+0.02
Lend Lease	4.65xc	+0.15
MIM	3.8	....
Mayne Nickless	3.7	....
Meekatharra	1.25	+0.05
Myer Emp.	1.78	+0.05
Nat.Com.Bk.	3.45	+0.1
News	2.1	+0.1
Nicholas Kiwi	2.95	-0.05
North Bkn Hill	3.3	-0.05
Oakbridge	1.04	-0.01
Otter Expl	0.65	+0.05
Pancon	1.3	....
Pioneer Conc.	1.86	+0.05
Reckitt & Coln	2.2	....
Repco	1.22	-0.02
Santos	6.14	....
Smith (H.)	3.42	-0.05
Southland Min'g.	0.28	-0.01
Spargos Expl	0.34	....
Thos. Natwide	1.95	+0.05
Tooth	5	....
UMAL Cons	2.4	....
Vamgas	3.65	....
Western Mining	3.73	+0.03
Westpac	3.45	+0.05
Woodside Petrol	1.5	+0.01
Woolworths	2.55	....
Wormald Intl.	2.82	-0.02

HONG KONG

Nov. 10	Price H.K.$	+ or —
Bank East Asia	10.5	-0.5
Carrian Invest.	0.87	....
Cheung Kong	6.85	-0.25
China Light	13.4	-0.5
Hang Lung Devel.	1.55	....
Hang Seng Bank	45.75	-1.25
HK Electric	5.4	-0.1
HK Kowloon Wh.	3.52	-0.18
HK Land	2.6	-0.22
HK Shanghai Bk.	7.15	-0.1
HK Telephone	34	-0.5
Hutchison Wpa.	12.7	-0.1
Jardine Math.	13.5	-0.5
New World Dev.	2.07	....
Orient O'seas	2.65	-0.22
O'seas Trust Bk.	2.72	-0.28
SKN Props.	4.62	-0.25
Swire Pac A	14.1	-0.6
Wheel'k Mard A.	2.95	-0.12
Wheel'k M'time	1.5	....
World Int. Holdgs.	1.44	-0.06

JAPAN

Nov. 10	Price Yen	+ or —
Ajinomoto	895	+10
Alps Electric	2,310	-30
Amada	822	+7
Asahi Chem	870	-5
Asahi Glass	648	+1
Bridgeston	560	-2
Canon	1,330	....
Casio Comp.	1,380	+10
Chugai Pharm	1,010	+10
Citizen	558	-9
Daiei	641	....
Dai Nippon Ptg.	861	-4
Daiwa House	516	-3
Ebara	351	....
Eisai	1,390	+30
Fanuc	8,120	+100
Fuji Bank	500	....
Fuji Film	2,010	....
Fujisawa	210	+7
Fujitsu	1,280	-10
Green Cross	1,770	....
Hasegawa	463	-16
Heiwa Real Est.	515	....
Hitachi	859	-25
Hitachi Credit	1,300	-30
Honda	995	-5
House Food	950	-10
Hoya	1,190	....
Itoh (C)	272	....
Ito-Yokado	1,610	-10
Iwatsu	1,600	-10
JACCS	343	+6
JAL	2,300	+30
Jusco	816	-4
Kajima	327	-2
Kao Soap	607	+2
Kashiyama	527	-8
Kirin	465	+4
Kokuyo	826	....
Komatsu	500	+4

JAPAN (continued)

Nov. 10	Price Yen	+ or —
Konishiroku	642	+1
Kubota	303	-1
Kumagai	451	+5
Kyoto Ceramic	7,140	-170
Maeda Const.	521	....
Makino Milling	1,300	-10
Makita	1,160	....
Marubeni	271	....
Marudai	601	-4
Marui	1,120	+10
MEI	1,570	-20
M'ta Elec Works	564	-1
M'bishi Bank	500	....
M'bishi Corp	538	-1
M'bishi Elec	480	+1
M'bishi Estate	470	-2
MHI	246	-5
Mitsui Co	360	....
Mitsui Estate	715	+5
Mitsukoshi	549	+2
NGK Insulators	555	-5
Nihon Cement	205	+1
Nippon Denso	1,580	....
Nippon Elect	1,330	....
Nippon Express	275	-4
Nippon Gakki	586	....
Nippon Kokan	147	-2
Nippon Oil	1,090	-10
Nippon Seiko	570	-10
Nippon Shinpan	761	-2
Nippon Steel	155	+1
Nippon Suisan	315	-5
NTV	6,150	+50
Nippon Yusen	240	....
Nissan Motor	702	....
Nisshin Flour	390	+2
Nisshin Steel	241	-1
Nomura	909	-11
Olympus	977xa	-4
Omron Tateisi	1,680	....
Orient Leasing	2,380	-30
Pioneer	2,740	-30
Renown	649	-8
Ricoh	1,010	....
Sankyo	740	-5
Sanyo Elect	486	-1
Sapporo	355	....
Sekisui Prefab	585	-5
Seven-Eleven	5,350	-80
Sharp	1,280	-10
Shimadzu	595	+5
Shionogi	797	-14
Shiseido	1,100	+20
Sony	3,440	-40
Stanley	695	-15
S'tomo Elect	651	-6
S'tomo Marine	331	-1
S'tomo Metal	160	....
Taihei Dengyo	561	-4
Taisei Corp	221	+1
Taisho Pharm	885	+2
Takeda	763	-5
TDK	4,740	+20
Teijin	380	-5
Teikoku Oil	601	-9
Tokio Marine	561	+1
TBS	726	+17
Tokyo Elect Pwr.	1,040	....
Tokyo Gas	131	....
Tokyo Sanyo	646	....
Tokyo Style	821	-9
Tokyu Corp	290	-3
Toppan Print	599	-11
Toray	404	-2
Toshiba	372	-4
TOTO	509	-2
Toyo Seikan	655	+5
Toyota Motor	1,260	-10
Victor	2,800	-20
Wacoal	675	-5
Yamaha	480	-1
Yamanouchi	1,580	-19
Yamazaki	753	-12
Yasuda Fire	226	....
Yokogawa	450	....

SINGAPORE

Nov. 10	Price $	+ or —
Boustead Bhd.	2.75	+0.02
Cold Storage	4.8	+0.12
DBS	9.15	+0.25
Fraser & Neave	6	+0.1
Genting	4.66	+0.02
Haw Par	2.11	+0.02
Inchcape Bhd	2.68	+0.02
Keppel Shipyard	3.24	+0.02
Malay Banking	0	....
Malay Brew	5.2	....
Multi Purpose	1.81	+0.08
OCBC	10.7	....
OUB	4.16	....
Sime Darby	2.34	....
Straits St'mship	1.75	+0.02
Straits Trdg.	5.4	....
UOB	6.3	....

SOUTH AFRICA

Nov. 10	Price Rand	+ or —
Abercom	2.65	....
AE & CI	8.1	+0.1
Anglo Am. Coal	23.5	....
Anglo Am Corp	19.40	+0.15
Anglo Am Gold	119.5	+1.0
Barclays Bank	15.25	....
Barlow Rand	13.40	-0.2
Buffels	55	+0.5
CNA Gallo	2.8	....
Currie Finance	4	....
De Beers	9.3	-0.05
Driefontein	54.2	+0.5
FS Geduld	42.5	+1.25
Gold Fields S.A.	82	....
Highveld Steel	4.85	-0.05
Nedbank	14.25	+0.75
OK Bazaars	20	....
Protea Hldgs	3.5	....
Rembrandt	23.0	+0.25
Rennies	11.65	+0.15
Rustenburg	11.1	....
Sage Hldgs	6.25	+0.15
SA Brews	7.2	+0.15
Smith (C.G.)	21.00	....
Tongaat Hulett	9.2	....
Unisec	5.5	+0.05

NOTES — Prices on this page are as quoted on the individual exchanges and are last traded prices. § Dealings suspended. xd Ex dividend. xc Ex scrip issue. xr Ex rights. xa Ex all.

Indices

NEW YORK — DOW JONES

	Nov 10	Nov 9	Nov 8	Nov 7	Nov 4	Nov 3	1983 High	1983 Low	Since Compilat'n High	Since Compilat'n Low
Industrials	1235.83	1232.52	1214.84	1214.84	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Transport	[illegible]									
Utilities	[illegible]									
Trading vol 000's	[illegible]									

[illegible]

STANDARD AND POORS

[illegible]

N.Y.S.E. ALL COMMON

[illegible]

MONTREAL

[illegible]

TORONTO

[illegible]

	Nov. 10	Nov. 9	Nov. 8	Nov. 7	1983 High	1983 Low
AUSTRALIA All Ord. (1/1/80)	705.5	705.8	706.6	695.5	738.7 (12/8)	487.0 (4/1)
Metals & Mnls. (1/1/80)	527.3	527.2	524.4	517.5	574.2 (5/8)	411.8 (4/1)
AUSTRIA Credit Aktien (2/1/62)	55.02	54.54	54.26	53.92	[illegible]	[illegible]
BELGIUM Belgian SE (31/12/63)	[illegible]					
DENMARK Copenhagen SE (1/1/73)	[illegible]					
FRANCE CAC General (31/12/82)	[illegible]					
Ind Tendance (31/12/82)	[illegible]					
GERMANY FAZ-Aktien (31/12/58)	[illegible]					
Commerzbank (Dec 1953)	[illegible]					
HONG KONG Hang Seng Bank (31/7/64)	[illegible]					
ITALY Banca Comm Ital. (1972)	[illegible]					
JAPAN** Nikkei-Dow (16/5/49)	[illegible]					
Tokyo SE New (4/1/68)	[illegible]					
NETHERLANDS ANP-CBS General (1970)	[illegible]					
ANP-CBS Indust (1970)	[illegible]					
NORWAY Oslo SE (4/1/83)	[illegible]					
SINGAPORE Straits Times (1966)	[illegible]					
SOUTH AFRICA Gold (1958)	[illegible]					
Industrial (1958)	[illegible]					
SPAIN Madrid SE (31/12/82)	[illegible]					
SWEDEN Jacobson & P. (1/1/58)	[illegible]					
SWITZERLAND Swiss Bank Cpn. (31/12/58)	[illegible]					
WORLD Capital Intl. (1/1/70)	[illegible]					

(**) Saturday Nov. 5: Japan Nikkei-Dow 9317.20, TSE 682.81. Base values of all indices are 100 except Australia All Ordinary and Metals—500; NYSE All Common—50; Standard and Poors—10; and Toronto—1,000; the last named based on 1975. † Excluding bonds. ‡ 400 Industrials. § 400 Industrials plus 40 Utilities, 40 Financials and 20 Transports. c Closed. u Unavailable.

LONDON STOCK EXCHANGE

MARKET REPORT

Gilts wanted again on continued inflation optimism

Equities irregular in light trading

Account Dealing Dates

*First Dealings	Option Declarations	Last Dealings	Account Day
Oct 31	Nov 10	Nov 11	Nov 21
Nov 14	Nov 24	Nov 25	Dec 5
Nov 28	Dec 8	Dec 9	Dec 19

* "New-time" dealings may take place from 9.30 am two business days earlier.

Stock markets were featured yesterday by another good performance in British Funds. Buyers were again attracted by yield considerations and continuing hopes that inflation is to be kept under control—hopefully, with confirmation about the latter forthcoming next week in the Chancellor's autumn statement on public spending plans.

Gains appeared throughout the Funds, and the Government Securities index rose 0.29 for a three-day advance of 0.65 to 82.55 as compared with last June's high for the year of 83.60.

Short-dated gilts yesterday ended with gains to around ⅛ and occasionally more in the absence of a tap stock, the recently exhausted partly-paid **Treasury 9½ per cent 1988** hardening ⅛ more to 60⅞. Rises in later maturities were extended with the dates, and ranged to ⅜ in the 2008 area, while index-linked stocks showed improvements of up to ⅛.

Prices of leading shares eased marginally in light trading. The FT 30-share index, up 2.3 at 10 am in recognition of Wall Street's overnight rally, subsequently drifted lower in the absence of support. The undertone held fully firm, and the closing index was a net 1.2 down at 720.6. The constituents showed small mixed changes at the end, a pattern repeated throughout FT-quoted Industrials as a whole although the latter had a bias to higher levels with rises outnumbering falls by about 3-to-2.

Firm features usually involved company announcements or comments. Speculative activity was more subdued than of late ahead of today's end of the current trading account, but buyers made their presence felt in selected stocks with announcements due in the Account officially starting next Monday.

Among the sectors, Life Insurances stood out with good gains which largely reflected the companies' holdings of gilt-edged. Banks stayed firm after recent favourable comment and Oils provided interest with satisfactory third-quarter statements from Shell and Ultramar.

Gold shares generally improved following Wednesday's sharp rally although the gold bullion price yesterday ended fractionally easier.

Financials good

Investors favoured a whole range of Financial issues. Two of the big four clearing banks achieved double-figure gains with **Midland**, 400p, and **NatWest**, 610p, up 12 apiece. **Barclays** closed 7 higher at 465p, after 472p, and **Lloyds** ended similarly dearer at 495p, after 500p. Merchant Banks, for once, were left out but continued speculative interest lifted **Guinness Peat** 4 to 54p; the extraordinary meeting called to approve the capital changes necessary for the Moorside deal is scheduled for next Tuesday. Among other Banking issues, **Bank of Ireland** moved up 15 to 265p following interim figures at the top end of market estimates.

Life Insurances were particularly strong, reflecting their enhanced Gilt-edged portfolios and a squeeze on professional bear positions. Here again, double-figure rises were frequent with **Pearl** 17 up at 697p and **Legal and General** 14 higher at 476p. **Equity and Law** improved 10 to 700p and **Refuge** 6 to 396p, while **Willis Faber** stood out among Brokers with a gain of 13 to 580p. Awaiting developments in the bid situation, **Eagle Star** rose 6 to 614p; neither the offer from **BAT Industries** nor that of **Allianz** is expected to be referred to the Monopolies Commission.

Recently-issued equities featured **Logica**, which attracted solid support and rose 10 to 245p. **Atlantic Computers** also had followers and advanced 5 to the best level yet of 312p, while **Telemetrix** recovered 4 to 218p. Yesterday's newcomer to the Unlisted Securities Market, **Federated Housing**, began life at the placing price of 54p but closed at 52p.

Building movements were sporadic and irregular. Press comment on gravel users turned attention to **Wettern Bros**, which added 8 at 85p, but **Milbury** slipped 5 to 70p following Saint Piran's disposal of shares to comply with Stock Exchange listing requirements. **Construction Holdings** jumped 22 to 297p on the agreed bid from **Atlanta Baltimore and Chicago Trust**, unchanged at 132p. Recently-beleaguered **Burnett and Hallamshire** picked up 5 to 175p helped by the Abu Dhabi joint contract worth £10m.

Lack of U.S. interest allowed **ICI** to drift back 4 to 578p, but **Amersham** found support and moved up 6 to 239p.

Burton feature

Business among leading Retailers again left much to be desired with most displaying modest falls for want of attention. **Habitat-Mothercare** remained on offer and shed 8 for a three-day fall of 16 at 274p. A notable exception was provided by **Burton** which, having bucked the trend in recent sessions, advanced 8 more to 378p, after 384p, on buying ahead of preliminary results scheduled for November 22; the Warrants improved 13 to 268p. **Readicut International**, the subject of call option business, hardened 1½ to 20p. Speculative demand lifted **Kraft Productions** 10 to 100p, and **Bakers Household** 7 to 98p, but **Mellins** came on offer and fell 6 to 68p.

Leading Electricals traded on a quiet and slightly easier note. **Cable and Wireless** found support ahead of next Thursday's interim results and put on 7 to 290p. **Kode**, a poor market since the forecast of marginally lower profits, rallied 6 to 248p. **Electrocomponents** continued to attract buyers and put on 10 more to 255p, while gains of a similar amount were marked against **CASE**, 410p, and **MK Electric**, 308p.

Conditions in the Engineering sector remained extremely quiet. Of the few noteworthy movements, **Staveley Industries** improved 5 to 216p in response to the increased interim profits. **Westland** became a nervous market and shed 3 to 140p, after 138p, following news of the investigation into the emergency landing in the U.S. of a Westland 30 helicopter. **Tecalemit** hardened a penny to 50p on the increased and final offer from Siebe Gorman.

Foods were a relative backwater but with a firm undercurrent. Press conclusions on **Sainsbury's** first-half results were generally favourable but the price edged forward only 3 to 438p.

Boots unsettled

Boots were unsettled by rumours of possible clearance problems in the U.S. for its Ibuprofen drug and eased to 163p before recovering to close only 3 off on balance at 166p; a spokesman for the company stated yesterday that they are aware of no problems with the application and remain confident about receiving approval.

Apart from **Beecham**, which improved 5 to 325p, other leading miscellaneous industrials were rarely altered. Despite the good interim figures and forecast of record second-half results, **Applied Computer** met profit-taking and reacted to 387p before rallying smartly to close only 5 off on the day at 400p. **Johnson Matthey** revived with a rise of 12 to 215p, while **Walker and Homer**, the subject of a tip-sheet recommendation put on 2½ to 19½p. The announcement of the Wembley Stadium development proposals which followed hard on the heels of the Rio Tinto-Zinc North Sea deal prompted a fresh improvement of 9 to 280p in **BET**. Profit-taking after the interim figures left **Valor** 4 cheaper at 133p, while **Central and Sheerwood** fell 2 to 9½p on the bigger half-year loss. In contrast, **Amber Industrial** advanced 13 to 70p in response to the doubled interim dividend and sharply higher half-year profits. Speculative demand left **Celtic Haven** 6 higher at 31p, but **Barget** fell 4 to 31p on the proposed rights issue.

Intervision flopped to 24p immediately following the rescheduled preliminary figures but rallied on "new-time" demand to close a net penny higher at 28p, after 29p. Increasing publicity about next week's contest stimulated **Miss World**, up 5 at 165p. Elsewhere in Leisures, **Pavilion** hardened 4 to 70p.

Motor Distributors took up a firmer stance. **British Car Auction** responded to revived investment demand and closed 8 to the good at 228p, while interest was also noted for **H. & J. Quick**, 48p, and **Godfrey Davis**, 81p, both up 3; the last-mentioned is due to reveal interim figures next Tuesday. **H. Young** opened higher at 68p and rose further to finish an overall 6 dearer at 71p.

A newsletter tip prompted a lively trade in "who's Who" publishers **A. & C. Black**, which spurted 53 to 316p, after 320p. **Octopus** rose 12 to 437p on consideration of the £4m acquisition of Brimax Books and Brimax Rights. **International Thomson** attracted renewed support and advanced 40 to 715p. Elsewhere, **Wace** firmed 3 at 23p on the announcement of the disposal of a loss-making subsidiary.

Properties traded quietly, but maintained a firm undertone. Noteworthy movements included **Stock Conversion** which responded to occasional demand in a thin market with a rise of 14 to 302p. **Hardanger** improved 6 to 143p following news that the company had funded £4m for four new retail developments. **Great Portland**, in contrast, fell 6 to 130p on the reduced half-year revenue.

British and Commonwealth Shipping advanced to 900p in immediate response to the more-than-doubled first-half profits, but a closer examination of the uninspiring accompanying statement pared the gain to one of 10 at 850p; the associate **Caledonia** behaved similarly following the interim profits expansion and settled 10 up at 750p after having touched 800p. **Ocean Transport** attracted fresh investment demand and rose 5 to 103p.

Courtaulds attracted renewed investment support and advanced 4 to 100p; the interim results are expected towards the end of the month. Elsewhere in Textiles, **Lister** were briskly-traded following a newsletter recommendation and closed 7 better at 43p. **John Beales** eased the turn to 88p following virtually unchanged mid-term profits.

Among Investment Trusts, **Electra**, 86p, and **Drayton Consolidated**, 224p, both rose around 4 in response to the respective interim and full-year results.

Financials again featured stockjobbers **Akroyd and Smithers**, which advanced another 21 to 501p on continuing optimism concerning outside interests in Stock Exchange member firms; the preliminary results are due next Thursday. **Exco International**, still buoyed by the excellent performance of the group's financial information service Telerate, advanced to 558p before reverting to unchanged at 543p. Call option activity prompted a gain of 3 to 71p in **Yelverton**.

Leading Oils passed a rather subdued trading session, although **Shell**, up 4 at 570p, and **Ultramar** 10 to the good 625p, responded to satisfactory third-quarter trading statements. Among the speculative stocks, **Atlantic Resources** were again volatile and closed 10 cheaper at 685p. **Sun (UK)** also fell 10, to 260p, and **Eglinton** ended the same amount down at 275p, but demand for new-time prompted a rise of 15 to 245p in **International Petroleum**.

Golds up again

Mining markets put on a much more sedate performance than in the two previous days but managed to record widespread improvements.

South African Golds opened on a steady note and thereafter edged higher in relatively subdued trading to close around the day's best levels. The spur was renewed buying from Johannesburg and an almost total absence of any significant selling.

The market was unable to draw any strength from the bullion price which remained unimpressive prior to closing a net 75 cents easier at $382.625 an ounce.

Features among the heavyweights included **Randfontein**, £2 firmer at £77½, **Vaal Reefs**, £1½ to the good at £66¾, and **Hartebeest**, which rose a point to £41⅞. In the cheaper-priced issues, **West Rand Consolidated** moved up 13 more to 463p.

The Gold Mines index added 2.3 for a three-day gain of 40.9 to 515.4.

Trading in South African Financials fell to minimal levels. "**Johnnies**" provided a bright spot with a jump of £2 to £76 and "**Amgold**" rose a point to £68, both in the wake of Johannesburg support, but remaining issues showed little change either way.

A good two-way business was reported in **RTZ**, which touched 588p before profit-taking pared the price to 574p, a net gain of 10, following the £90m purchase of BET's North Sea oil and gas interests and a 1 per cent interest in BP's Forties Field. **Consolidated Gold Fields** were finally 2 easier at 482p but **Hampton Areas** advanced 10 to 190p.

Firm Platinums were highlighted by **Impala**, which rose 15 to 765p in the wake of firmer free market platinum prices.

Gold mining issues were well to the fore in an otherwise quietly firm Australian market. Good demand was evident in all the leading producers despite the lack-lustre bullion price.

Gold Mines of Kalgoorlie were particularly wanted and advanced 20 to 550p, while **Poseidon** moved up 8 more to 278p. **Central Norseman** put on 5 to 358p and recent favourite **Whim Creek** gained 8 to 172p.

Among the speculatives, **Carr Boyd** closed 4 firmer at 70p, **Hill 50 Gold** 3 harder at 27p and **Hill Minerals** 2 better at 30p.

Increased support of call positions lifted total contracts struck in Traded Options to 2,718. **Commercial Union** were wanted, possibly reflecting second thoughts on the third-quarter figures, and recorded 415 calls with 238 transacted in the January 180s. **ICI** attracted 344 calls, 190 done in the January 500's. **Land Securities**, interim figures scheduled for next Monday, recorded 245 puts.

FINANCIAL TIMES STOCK INDICES

	Nov. 10	Nov. 9	Nov. 8	Nov. 7	Nov. 4	Nov. 3	year ago
Government Secs.	82.55	82.26	82.09	81.90	82.02	82.24	86.53
Fixed Interest	85.27	85.20	85.06	84.97	85.08	85.17	87.00
Industrial Ord.	720.6	721.8	720.1	721.4	718.3	714.7	631.3
Gold Mines	515.4	513.1	492.8	474.5	484.8	466.2	374.4
Ord. Div. Yield	4.76	4.74	4.75	4.75	4.78	4.78	4.75
Earnings, Yld.% (full)	9.42	9.40	9.42	9.41	9.43	9.47	10.17
P/E Ratio (net) (*)	13.25	13.28	13.25	13.26	13.23	13.18	11.80
Total bargains	18,895	20,100	18,018	18,847	19,004	20,160	27,611
Equity turnover £m.	—	101.16	158.82	154.68	222.57	216.94	204.65
Equity bargains	—	12,484	15,848	16,421	16,022	16,686	10,566
Shares traded (ml)	—	86.2	99.2	98.8	130.1	124.4	135.5

10 am 724.1. 11 am 722.1. Noon 721.1. 1 pm 720.6. 2 pm 720.1. 3 pm 720.6.

Basis 100 Govt. Secs. 18/1/26. Fixed Int. 1928. Industrial 1/7/35. Gold Mines 12/1/58. SE Activity 1974.

Latest Index 01-246 8026.

Nil=12.47.

HIGHS AND LOWS

	1983 High	1983 Low	Since Compilat'n High	Since Compilat'n Low
Govt. Secs.	83.60 (13/6)	77.00 (24/1)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int.	85.27 (10/11)	79.03 (1/2)	150.4 (28/11/47)	50.53 (3/1/75)
Ind. Ord.	740.4 (22/6)	598.4 (12/1)	740.4 (22/6/83)	49.4 (26/6/40)
Gold Mines	734.7 (15/2)	444.0 (1/11)	734.7 (15/2/83)	43.5 (26/10/71)

S.E. ACTIVITY

	Nov. 9	Nov. 8
Daily		
Gilt Edged Bargains	127.5	156.1
Equities Bargains	80.9	102.7
Value	325.7	341.4
5-day Avrge		
Gilt-Edged Bargains	157.1	167.2
Equities Bargains	100.4	106.0
Value	573.2	597.5

NEW HIGHS AND LOWS FOR 1983

NEW HIGHS (62)

BRITISH FUNDS (4)
Treas 8¼pc '84-'86 Treas 13pc 1990
Treas 9½pc Cv '88 Treas 11¾pc 1991
INT BANK & O'SEAS GOVT STLG ISS (3)
Int-Am Dev Bk 12½pc 2003 Sweden 13½pc Ln 2010
Malaysia 12½pc 1988
C'WEALTH & AFRICAN LOANS (2)
N Zealand 7½pc 1988-92 Do. 7½pc 83/86
LOANS (1)
Inv in Ind 7½pcA Db 91-94
AMERICANS (1)
Crown Zellerbach
CANADIANS (2)
Bell Canada Seagram
BANKS (3)
ANZ Nat Comm Bk Aust
Bank of Scotland
BUILDINGS (1)
Brit Dredging
CHEMICALS (2)
Hoechst Fin 10pc Ln 1990 Plysu
STORES (2)
Burton Hepworth (J.)
ENGINEERING (1)
Newman-Tonks
FOODS (3)
Low (Wm) Sainsbury (J.)
Nabisco Brands
INDUSTRIALS (10)
Amber Ind'l Hartons
Bibby (J.) Neil & Spencer
Chamberlain Phipps Reed Int'l
Copydex Scott & Robertson
Elson & Robbins Tova
INSURANCE (3)
American Gen Corp Travelers Corp
Marsh & McLennan
MOTORS (2)
Brit Car Auction Young (H.)
Hanger Invs
NEWSPAPERS (2)
Black (A. & C.) Octopus Publishing
PAPER (1)
Wace
PROPERTY (5)
Brixton Estate MEPC
Centrovincial Ests North Brit Props
Churchbury Ests
SHOES (1)
Pittard
TEXTILES (2)
Atkin Bros Parkland A
TRUSTS (6)
Ambrose Cap Electra
Argo Inv First Charlotte Assets
British Invest Akroyd & Smithers
OILS (2)
Caledonian Offshore Claremont Pet
OVERSEAS TRADERS (1)
Crosby House
PLANTATIONS (1)
Anglo-Indonesian

NEW LOWS (15)

CORPORATION LOANS (1)
GLC 13½pc 1984
BANKS (1)
Bank Leumi L-Israel
BREWERS (1)
Buckley's Brewery
BUILDINGS (2)
Lovell (Y. J.) Milbury
ENGINEERING (3)
Boulton (Wm) Woodhouse & Rixson
Norton (W. E.)
FOODS (1)
Barrow Milling
HOTELS (1)
Queens Moat [illegible]
INDUSTRIALS (3)
Barget Rockware
Office & Elect
OILS (2)
Flair Res KCA Int'l

Rightwise

In response of the offer on behalf of Crosby House Group (CHG) for all the shares of Rightwise not owned by CHG or its subsidiaries, acceptances have been received in respect of 1.53m ordinary shares (53.8 per cent).

CHG and its subsidiaries now own or have agreed to acquire 2.71m ordinary (95.3 per cent). The loan stock alternative closed on November 4.

Rightwise shareholders who have elected to receive 13¼ per cent unsecured loan stock 1987-1990 of CHG in place of new CHG ordinary will be allotted approximately 72 per cent of the nominal amount requested.

The offer, which is unconditional in all respects, remains open for acceptance.

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

	EQUITY GROUPS & SUB-SECTIONS Figures in parentheses show number of stocks per section	Thurs Nov 10 1983 Index No.	Day's Change %	Est. Earnings Yield % (Max.)	Gross Div. Yield % (ACT at 30%)	Est. P/E Ratio (Net)	Wed Nov 9 Index No.	Tues Nov 8 Index No.	Mon Nov 7 Index No.	Fri Nov 4 Index No.	Year ago (approx) Index No.
1	CAPITAL GOODS (203)	[illegible]	—	9.19	3.98	14.00	452.64	450.23	450.22	450.12	451.06
2	Building Materials (24)	[illegible]	—	10.76	4.74	11.71	435.68	436.27	436.31	436.45	409.19
3	Contracting, Construction (29)	[illegible]	+0.5	13.71	5.25	9.18	675.50	680.54	683.86	686.71	744.13
4	Electricals (38)	[illegible]	−0.3	7.81	2.22	16.62	1701.19	1676.45	1673.47	1674.08	1825.97
5	Engineering, Contractors (10)	[illegible]	—	14.23	6.75	8.91	411.87	412.51	413.73	411.97	475.39
6	Mechanical Engineering (59)	[illegible]	+0.1	12.70	5.94	9.73	189.65	190.40	189.44	189.99	202.42
8	Metals and Metal Forming (9)	[illegible]	+2.1	11.96	7.40	10.11	155.25	155.37	156.16	155.94	145.69
9	Motors (18)	[illegible]	+0.5	1.76	4.84	—	118.28	118.17	111.10	118.92	79.24
10	Other Industrial Materials (16)	[illegible]	+0.1	5.79	4.37	22.93	536.53	538.73	538.32	537.92	375.58
21	CONSUMER GROUP (198)	[illegible]	+0.4	10.54	4.45	11.63	441.80	440.41	440.68	441.38	407.93
22	Brewers and Distillers (23)	444.94	+0.3	12.69	5.15	9.81	443.69	442.94	446.74	446.53	431.72
25	Food Manufacturing (22)	351.01	+0.9	13.19	5.74	8.84	347.81	347.78	346.59	345.76	335.78
26	Food Retailing (13)	1010.16	+0.5	7.71	2.65	16.64	1004.87	996.98	1000.24	1002.18	859.61
27	Health and Household Products (9)	722.92	+0.7	6.25	2.96	19.81	717.60	719.83	724.03	722.64	729.22
29	Leisure (23)	576.27	+0.4	8.79	4.71	14.72	573.81	569.97	566.11	568.18	468.46
32	Newspapers, Publishing (15)	999.96	+0.4	9.25	5.07	12.99	996.25	981.40	937.76	983.63	565.35
33	Packaging and Paper (14)	198.17	+0.1	10.95	5.01	11.13	197.97	197.45	197.57	196.87	148.78
34	Stores (47)	410.34	−0.3	8.38	3.76	16.42	411.62	408.09	409.58	418.37	383.33
35	Textiles (20)	215.30	+2.1	12.18	5.41	9.73	210.94	211.51	211.35	209.41	175.60
36	Tobaccos (3)	463.97	+0.3	21.40	6.06	5.21	462.59	464.73	462.39	473.28	455.49
39	Other Consumer (9)	442.46	−0.5	5.76	4.71	—	444.51	442.71	442.49	441.95	327.31
41	OTHER GROUPS (84)	391.25	+0.4	8.27	4.41	15.21	389.59	390.21	390.25	389.99	282.18
42	Chemicals (15)	559.27	−0.3	8.08	4.55	16.19	561.05	564.66	566.37	567.64	373.85
44	Office Equipment (6)	110.85	+1.0	8.78	4.63	14.34	109.76	109.51	110.09	111.09	95.89
45	Shipping and Transport (14)	766.50	+0.6	7.47	5.29	18.28	762.12	762.03	757.84	746.82	535.16
46	Miscellaneous (49)	508.92	+1.0	8.50	4.08	13.96	503.76	502.65	500.08	501.07	390.08
49	INDUSTRIAL GROUP (485)	442.63	+0.3	9.74	4.27	12.81	441.46	440.51	440.65	440.92	405.15
51	Oils (15)	968.46	—	11.63	6.16	10.44	968.11	969.99	965.17	953.87	745.79
59	500 SHARE INDEX	486.71	+0.2	10.06	4.59	12.33	485.62	484.92	484.63	483.91	433.20
61	FINANCIAL GROUP (124)	340.45	+1.1	—	5.64	—	336.68	336.53	337.08	338.05	264.39
62	Banks (6)	347.22	+1.8	24.73	7.34	4.41	341.13	338.19	335.12	341.34	268.14
63	Discount Houses (8)	326.20	+0.6	—	8.36	—	324.29	324.35	325.79	326.61	322.52
65	Insurance (Life) (9)	461.55	+2.0	—	4.87	—	452.31	451.25	450.81	453.50	335.86
66	Insurance (Composite) (10)	237.20	+1.0	—	6.47	—	234.83	237.39	239.47	238.85	176.32
67	Insurance Brokers (7)	576.96	+1.1	11.77	5.03	11.63	570.66	564.77	558.27	552.71	539.54
68	Merchant Banks (12)	202.83	+0.8	—	4.64	—	200.46	202.53	200.63	202.10	159.53
69	Property (54)	498.21	+0.3	5.04	3.79	22.86	496.58	496.35	498.80	499.96	391.19
70	Other Financial (18)	240.17	+0.3	11.62	5.59	10.37	239.58	238.40	237.76	235.08	180.86
71	Investment Trusts (108)	444.16	+0.7	—	4.83	—	441.28	440.99	442.25	440.22	341.89
81	Mining Finance (4)	272.10	+1.0	10.19	5.37	12.01	269.40	264.50	260.55	266.75	221.73
91	Overseas Traders (14)	468.32	−0.1	8.19	8.13	18.21	468.84	471.26	470.20	471.32	372.70
99	ALL-SHARE INDEX (750)	449.97	+0.4	—	4.78	—	448.12	447.43	447.29	447.12	347.40

FIXED INTEREST

	PRICE INDICES	Thurs Nov 10	Day's change %	Wed Nov 9	xd adj. today	xd adj. 1983 to date
	British Government					
1	5 years	117.42	+0.14	117.26	—	10.31
2	5-15 years	131.98	+0.33	131.55	—	12.04
3	Over 15 years	141.66	+0.49	140.98	—	12.54
4	Irredeemables	150.13	+0.38	149.56	—	13.94
5	All Stocks	130.14	+0.31	129.74	—	11.63
6	Debentures and Loans	106.94	+0.15	106.77	—	9.11
7	Preference	79.67	−0.01	79.68	—	6.02

	AVERAGE GROSS REDEMPTION YIELDS		Thurs Nov 10	Wed Nov 9	Year ago (approx)
	British Government				
1	Low Coupons	5 years	9.45	9.73	7.92
2		15 years	9.85	9.88	9.25
3		25 years	9.77	9.82	9.54
4	Medium Coupons	5 years	10.89	10.94	9.89
5		15 years	10.66	10.72	10.43
6		25 years	10.12	10.18	10.08
7	High Coupons	5 years	11.01	11.06	9.98
8		15 years	10.86	10.92	10.63
9		25 years	10.25	10.30	10.22
10	Irredeemables†		9.73	9.76	9.41
11	Debs & Loans	5 years	11.59	11.60	11.13
12		15 years	11.70	11.73	11.35
13		25 years	11.72	11.75	11.51
14	Preference†		12.31	12.31	12.28

† Flat yield. Highs and lows record, base dates, values and constituent changes are published in Saturday issues. A list of constituents is available from the Publishers, The Financial Times, Bracken House, Cannon Street, London, EC4P 4BY, price 15p, by post 28p.

EUROPEAN OPTIONS EXCHANGE

Series		Nov. Vol.	Nov. Last	Feb. Vol.	Feb. Last	May Vol.	May Last	Stock
GOLD C	$375	—	—	5	64	4	34	$382
GOLD C	$400	—	—	11	12.50 A	20	20	"
GOLD C	$425	40	0.10	90	5.50	—	—	"
GOLD C	$450	18	0.10 A	78	2.50	10	7	"
GOLD P	$350	—	—	35	2.20	—	—	"
GOLD P	$375	30	6	104	0.50	—	—	"
GOLD P	$400	31	19	—	—	5	26	"
GOLD P	$425	25	46	10	43	—	—	"
GOLD P	$450	1	71	1	69	—	—	"
		Dec.		March		June		
SILV C	$9	—	—	20	0.90	4	1.25	$8.01
SILV C	$10	—	—	3	0.50	—	—	"
SILV C	$11	—	—	14	0.20	15	0.54	"
SILV C	$12	—	—	—	—	21	0.56	"
SILV P	$9	6	0.50	—	—	—	—	"
SILV P	$10	2	1.05	—	—	—	—	"
		Jan.		Apr.		July		
ABN C	F.360	5	2	20	15.50	—	—	F.340.50
ABN C	F.380	86	4.60	10	10.50	1	11.50	"
AKZO C	F.70	167	10	—	—	—	—	F.77.60
AKZO C	F.80	356	4.90	43	7	—	—	"
AKZO C	F.90	91	1.80	36	3.60	—	—	"
AKZO P	F.70	57	1.10	168	2.40	—	—	"
AKZO P	F.80	104	5.50	32	6.60	—	—	"
AMRO C	F.60	18	2.20	48	3.70	24	4.30	F.67.20
AMRO C	F.65	67	1	26	1.80	—	—	"
AMRO P	F.60	24	3.20	10	4.80	—	—	"
HEIN C	F.120	14	7.80	—	—	—	—	F.121.10
HEIN C	F.130	25	3.50	20	7.30	—	—	"
HEIN C	F.140	25	1.50	2	4.70	—	—	"
HEIN P	F.120	12	5.50	—	—	—	—	"
HEIN P	F.130	83	10.50	4	12	—	—	"
HOOG C	F.55	105	2.90 A	31	4.80 A	0	6.50	F.56.80
HOOG C	F.60	62	1.20 A	56	2.90	5	3.50	"
HOOG P	F.55	8	1.60	40	3.20 B	35	5	"
KLM C	F.140	106	29	14	33.50	—	—	F.167.50
KLM C	F.150	88	19.50	10	25	—	—	"
KLM C	F.160	92	13.20	—	—	—	—	"
KLM C	F.170	279	8.40	12	13.50	1	16	"
KLM C	F.180	131	4.40	—	—	—	—	"
KLM P	F.140	40	0.80	—	—	—	—	"
KLM P	F.160	210	4	6	7.80	—	—	"
KLM P	F.170	39	8.60	—	—	—	—	"
PETR C	Fr.5,500	75	500	—	—	1	700	Fr.5730
PHIL C	F.40	516	4.30	74	5.40	16	7.50	F.42.10
PHIL C	F.45	681	8.30	242	5.80	106	4.20 B	"
PHIL C	F.50	887	1.10	256	2.30	481	2.80	"
PHIL C	F.55	434	0.60	147	1.30	—	—	"
PHIL P	F.40	815	1.70	80	8.60	121	3.60	"
PHIL P	F.45	390	4.80	165	5.10	10	8	"
PHIL P	F.50	140	8.60	20	8.70	7	0.50 B	"
RD C	F.120	125	16	10	30	—	—	F.155.50
RD C	F.130	704	10	51	13.50	120	15	"
RD C	F.140	1967	4.50	243	7.40 A	1	9.20	"
RD C	F.150	926	1.60	35	4.30	—	—	"
RD P	F.120	3	0.60	65	1.60	—	—	"
RD P	F.130	411	6.60	20	5.80	—	—	"
RD P	F.140	165	6.30	10	7.50 A	10	10	"
UNIL C	F.240	146	4.30	4	7.50 A	—	—	F.254
UNIL C	F.260	85	3	—	—	8	8	"

TOTAL VOLUME IN CONTRACTS: 15,650
A=Ask B=Bid C=Call P=Put

RECENT ISSUES

EQUITIES

Issue price	Amount paid up	Latest Renunc. date	1983 High	1983 Low	Stock	Closing price	+ or −	Net Div.	Times Covered	Gross Yield	P.E. Ratio
§10	F.P.	7/10	24	20½	✣A. & M. Nire 10p	22½	.....	b0.1	11.1	0.6	14.2
§180	F.P.	22/11	120	103	✣Acorn Computer 1p	112	−1	—	—	—	28.8
§250	F.P.	2/11	518	237	Atlantic Comp'ters10p	312	+5	b2.25	6.2	1.0	16.5
§436	200	10/2	220	186	Brit. Petroleum	200	.....	20.25	1.8	6.7	12.1
200	F.P.	—	235	175	††Bryson Oil & Gas20p	180	−5	—	—	—	—
§106	F.P.	28/10	108	107	Coin Inds. 10p	107	.....	3.3	2.4	4.4	13.5
§60	F.P.	28/10	85	75	✣DJSecurityAl'me10p	87	−5	t2.1	b3.0	5.5	10.8
§75	F.P.	16/12	87	78	✣Edinb'gh Fd.Man 5p	87	.....	bq1.8	2.8	5.0	17.0
97	F.P.	30/11	107	97	Europ'n Assets DFl. 1	107	.....	‡Q10%	1.0	2.1	—
‖	F.P.	—	505	500	FAI Insurance 50 cts.	500	.....	Q34%	4.0	5.4	7.5
§54	F.P.	—	54	52	✣FederatedHousing 5p	52	.....	b2.45	2.4	6.7	8.7
‡IR77	F.P.	25/11	66	62	✣Flogas 10p	62	−1	uQ55.8%	3.6	3.7	10.0
123	F.P.	16/12	127	118	✣FrenchConnect'n5p	125	+2	bd5.9	2.7	4.5	11.5
§91	F.P.	25/11	91	84	✣Imtec Group 10p	84	.....	u2.1	2.5	5.6	10.7
§45	F.P.	25/11	48	44	✣Laidlaw Group 10p	46	.....	b2.5	2.6	7.8	6.6
§220	F.P.	18/2	245	226	Logica 10p	245	+10	u1.0	5.0	0.6	61.7
—	F.P.	11/11	38	31	Lon. Midland Ind'l Fin	38	+1	—	—	—	—
§65	F.P.	31/10	73	68	✣Mainmet Hldgs 10p	72	.....	—	—	—	76.6
§285	F.P.	25/11	310	303	OxfordInstruments5p	300	+2	b1.0	8.5	0.5	50.9
§150	F.P.	4/11	161	156	✣PCT Group 10p	156	.....	b4.8	2.1	4.4	14.7
§95	F.P.	21/12	105	100	✣Peters (Michael)	100	−3	u1.79	1.7	2.6	32.3
—	F.P.	—	£12¼	£10½	Rohr Inds. Inc. US$1.00	£10	+⅜	—	—	—	—
185	F.P.	11/11	234	214	Telemetrix 5p	218	+4	b1.4	5.5	0.9	28.4
100	F.P.	25/11	100	87	Tottenham Hotspur	86	−2	b4.0	1.9	6.0	10.5
‡IR84	F.P.	9/12	183	176	✣Woodchester Inv.IR20p	178	.....	Q19.5%	4.1	1.7	15.4

FIXED INTEREST STOCKS

Issue price £	Amount paid up	Latest Renunc. date	1983 High	1983 Low	Stock	Closing price £	+ or −
99.299	£25	20/11	28	22	Allied-Lyons 11¾% Deb 2009	28	+¼
98.730	£25	16/2	27¼	25¼	Australia 11⅝ pc. Ln. 2015.	27¼	+⅛
100	£10	2/1	18	11½	Bristol Waterworks 6.5% Red. Prf. 1988	12	.....
99.714	£30	26/4	30⅞	30	Int. Bk. for Rec. & Dev. 11.5% Ln. 2003	30⅝	+½
97.258	£25	23/1	27½	25	Ireland 13½% 2008	27½	.....
§100p	25p	6/1	34p	26p	LASMO 8⅞% Cum Red Pref	34p	+¼
‖	£30	10/11	33½	30½	Lon. Shop Prop. 9pc Cnv. 94/99 Ser II	33½	.....
—	F.P.	—	100⅛	99⅞	Nationwide 10⅛% Bds. 8/10/84	100⅛	.....
—	F.P.	—	100⅛	100	" 10¼% Bds. 5/11/84	100⅛	+⅛
100	£10	6/2	18	16	Sunderland & S.ShieldsWtr6½pcRPF.1990	16	.....

"RIGHTS" OFFERS

Issue price	Amount paid up	Latest Renunc. date ●	■	1983 High	1983 Low	Stock	Closing price	+ or −
7	Nil	—	15/12	8pm	¾pm	Amal. Estates 5p	1pm	−½
IR65	F.P.	—	—	61	42	Aran Energy 20p	57	+1
68	Nil	—	10/12	11pm	6pm	Arrow Chemicals	11pm	+1
75	Nil	—	24/11	6pm	1½pm	Britannia Arrow	4pm	−1
83	F.P.	—	30/11	67	24	C. N. Industrials 10p	25	.....
82	F.P.	—	6/12	98	85	Cartwright (R.) 10p	86	.....
50	F.P.	—	11/11	61	47	✣Coleman Milne 10p	48	.....
660	F.P.	—	11/11	740	725	✣Continental Microwave	740	.....
*610	Nil	—	[illegible]	66pm	20pm	F.&C. Enterprise Units 10p	21pm	.....
16	Nil	—	—	1pm	1pm	✣Humberside Elect. 10p	1pm	.....
50	Nil	—	6/12	5pm	5pm	✣Inn Leisure 5p	6pm	.....
20	F.P.	—	18/11	66	57	Inter-City Inv. 20p	32	−5
276	F.P.	—	11/11	563	505	Lex Service	326	−1
120	F.P.	7/11	2/12	148	127	MFI Furniture 10p	147	−1
14	Nil	—	28/11	3pm	2½pm	Raine Inds. 10p	2½pm	−½
65	Nil	—	4/1	10½pm	6pm	Ward White	10pm	−½
‖	Nil	—	21/11	116	65	Western Mining Options	116	+

Renunciation date usually last day for dealing free of stamp duty. b Figures based on prospectus estimates. ∅ Dividend rate paid or payable on part of capital; cover based on dividend on full capital. g Assumed dividend and yield. u Forecast dividend cover based on previous year's earnings. F Dividend and yield based on prospectus or other official estimates for 1983. H Dividend and yield based on prospectus or other official estimates for 1983-84. Q Gross. ‡ Cover allows for conversion of shares not now ranking for dividend or ranking only for restricted dividends. ● Figures or report awaited. § Placing price. p Pence unless otherwise indicated. ¶ Issued by tender. ‖ Offered to holders of ordinary shares as a "rights." ** Issued by way of capitalisation. §§ Reintroduced. ¶¶ Issued in connection with reorganisation merger or take-over. ‖‖ Introduction. □ Issued to former preference holders. ■ Allotment letters (or fully-paid). ● Provisional or partly-paid allotment letters. ★ With warrants. ‡ Effective issue price after scrip. † Formerly dealt in under special rule. †† Dealt in under Rule 163 (3). ✣ Unlisted Securities Market. *Comprising of 10 New ordinary plus 1 Series 8 Warrant.

OPTIONS

First Dealings	Last Dealings	Last Declaration	For Settlement
Nov 7	Nov 18	Feb 9	Feb 20
Nov 21	Dec 2	Feb 23	Mar 5
Dec 5	Dec 16	Mar 8	Mar 19

For rate indications see end of Share Information Service

Money was given for the call in Youghal Carpets, Yelverton, Readicut, Atlantic Resources, Rank Organisation, W. E. Norton, Mersey Docks, Celtic Haven, Premier Oil, Holical Bar, Jardine Matheson, North Kalgurli, Rockware, Trident TV A, Imps 8 per cent Convertible, First National Finance and British-Benzol. A put was done in Imps 8 per cent Convertible, while doubles were taken out in Lasmo, London and Liverpool and First National Finance.

RISES AND FALLS YESTERDAY

	Rises	Falls	Same
British Funds	88	5	8
Corpns Dom & Foreign Bonds	20	3	54
Industrials	276	170	941
Financial & Props	165	51	309
Oils	31	16	68
Plantations	5	—	15
Mines	52	24	89
Others	79	36	57
Totals	716	305	1,541

ACTIVE STOCKS

Above average activity was noted in the following stocks yesterday.

Stock	Closing price	Day's change
Applied Computer	400	−5
Atlantic Res.	685	−10
Barclays Bank	465	+7
Black (A. & C.)	316	+53
Eagle Star	614	+6
Int'l. Petroleum	245	+15
Intervision Video	28	+1
Lister	43	+7
Marks & Spencer	216	—
Pearl Assur.	697	+17
RTZ	574	+10
Stock Conversion	302	+14

WEDNESDAY'S ACTIVE STOCKS

Based on bargains recorded in Stock Exchange Official List.

Stock	No. of changes	Wed. close	Day's change
Smiths Inds.	14	425	+27
Plessey	12	220	+11
Glaxo	11	720	−2
ICI	11	582	−8
Barclays Bank	10	458	+8
Blue Circle	10	416	—
Bula Resources	10	27½	+½
Chubb	10	144	+1
Cons Gd Fields	10	484	+9
Electrocompnts.	10	245	+10
Fleet Hldgs.	10	118	−1
GEC	10	206	+2
Logica New	10	235	+2
Smith Bros.	10	65	+5

LONDON TRADED OPTIONS

Option	Calls Jan.	Calls Apr.	Calls July	Puts Jan.	Puts Apr.	Puts July
Brit. Petroleum (*428)						
390	48	60	66	0	16	18
420	26	58	44	15	24	30
460	8	14	24	42	46	50
Cons. Goldfields (*479)						
460	57	77	90	14	85	67
500	35	66	65	52	50	60
550	15	30	—	77	85	—
600	8	16	—	122	125	—
650	6	5	—	178	172	—
Courtaulds (*99)						
75	65	—	—	2	—	—
58	17	—	—	2½	—	—
80	—	18	81	—	4	5½
86	9	—	—	4	—	—
100	—	10	16	—	8	11
110	6	6	—	13	16	—
Commercial Union (*176)						
140	38	41	45	8	3	5
160	80	86	88	4	8	11
180	8	12	15	13	15	18
G.E.C. (*207)						
180	30	30	42	3	5	7
200	16	28	38	9	18	16
220	7	11	18	80	82	25
240	6	0	—	38	38	—
260	1	—	—	—	—	—
Grand Met. (*363)						
300	45	58	65	5	10	13
330	88	55	43	14	18	86
360	0	15	—	32	35	—
390	2	5	—	60	62	—
I.C.I. (*576)						
420	158	—	—	8	—	—
460	128	—	—	3	—	—
500	88	94	—	3	10	—
550	44	54	64	12	26	34
600	15	87	36	32	50	60
Land Securities (*335)						
280	57	62	—	2	5	—
300	57	45	53	4	8	10
330	15	23	51	11	17	88
360	4	8	13	38	54	57
Marks & Spencer (*215)						
180	36	41	—	5	4	—
200	17	25	26	8	0	12
220	5	11	16	14	18	81
Shell Transport (*570)						
460	132	—	—	1	—	—
500	82	92	100	4	7	13
550	40	58	68	14	18	26
600	11	50	38	46	60	66
650	4	10	—	84	90	—

Option	Calls Nov.	Calls Feb.	Calls May	Puts Nov.	Puts Feb.	Puts May
Barclays Bank (*484)						
420	47	62	75	8	9	15
460	14	36	47	15	22	52
500	2	17	27	37	42	52
550	1	5	13	—	—	92
Imperial Group (*130)						
110	21	24	26	0½	1	2
120	11	15	18	0¾	2½	4
130	5	8½	11½	2½	7	8
140	1	4	7	11	13	14
LASMO (*375)						
300	5	22	35	35	48	47
550	8	18	16	50	63	68
360	6	8	10	90	90	88
Lonrho (*96)						
90	7½	12	14	1	3½	4
100	1	6½	8	6	10	11
110	0½	3½	4½	15	17	18
P. & O. (*247)						
180	58	70	—	1	2	—
200	48	61	56	2	5	2
220	28	34	59	8	5	8
240	9	22	27	5	14	18
Racal (*205)						
180	88	36	42	1	5	6
200	10	22	28	5	11	14
210	4	—	—	14	—	—
220	—	12	18	—	26	28
230	1½	7	14	28	60	38
R.T.Z. (*578)						
500	80	92	—	1	6	—
535	47	65	—	2	17	—
550	62	54	75	7	25	35
585	11	32	—	18	42	—
600	5	20	45	50	66	60
660	1	8	25	75	77	85
700	1	4	10	185	125	137
Vaal Reefs (*$97)						
90	8½	16	18	2	7	10½
100	2½	8¼	12½	6	13	15½
110	1	6	8½	16	18½	20½
120	0½	5½	5½	23½	26	27
130	0½	2	3½	55½	34½	36½
140	0¼	1	2¼	43½	49½	45½

Option	Calls Dec.	Calls Mar.	Calls Jun.	Puts Dec.	Puts Mar.	Puts Jun.
Beecham (*326)						
300	33	45	53	5	12	18
550	12	24	53	20	35	32
555	5	0	—	40	42	—
Bass (*318)						
300	23	30	40	7	11	16
550	5	12	22	26	30	35
De Beers (*$790)						
750	80	95	110	20	55	45
800	47	62	75	40	55	70
850	15	35	—	75	85	25
900	6	18	—	115	—	—
Guest Keen (*166)						
180	—	11	14	—	10	23
200	1	4	—	67	57	—
Hanson (*226)						
200	30	35	41	3	5	7
220	16	20	26	8	11	15
Tesco (*171)						
160	20	27	33	5	10	12
180	6	13	20	15	17	20

Nov. 10. Total Contracts 2,718. Calls 1,818. Puts 892
* Underlying security price.

BRITISH FUNDS

"Shorts" (Lives up to Five Years)

1983 High	Low	Stock	Price £	+ or −	Yield Int.	Red.
100⅜	98⅞	Exch. 10pc 1983	100⅛xd	......	9.99	8.76
99⅜	96¼	Funding 5½pc '82-84‡‡	99⅝	......	5.54	9.18
101¼	99½	Exch. 11¼pc 1984	100⅝	−⅛	11.19	8.88
104¾	100½	Exchequer 14pc 1984	102⅛xd	......	13.67	9.27
96¼	92½	Exch. 3pc 1984	96¼	......	3.10	8.99
102⅜	100⅜	Treasury 12pc 1984	102⅛	......	11.74	9.22
107⅛	104⅛	Treasury 15pc 1985	105⅛	......	14.19	10.04
107	101⅞	Exch. 12pc Cnv. '85	102⅝	−⅛	11.70	9.91
93¾	88⅝	Treasury 3pc 1985	93¾xd	......	3.20	7.41
102½	99⅝	Treasury 11½pc 1985	102⅛	+⅛	11.25	9.99
102	95	Treas 8¾pcCnv '85	98⅛	+⅛	8.92	9.85
105⅝	100⅝	Exch. 12¼pc 1985	103⅝xd	+⅛	11.83	10.26
102⅝	99⅜	Exch. 11¼pc '86	102⅝	+⅛	11.48	10.38
101¼	97¼	Treas 10pc Cnv 1986	100⅝	+⅛	9.92	9.55
88½	85⅝	Treasury 3pc 1986	88⅝xd	+⅛	3.38	8.17
101⅜	97⅜	Exch. 10½pc Cv '86	100⅜xd	−⅛	10.45	10.31
103⅜	100⅛	Treasury 12pc '86	103⅛xd	+⅛	11.61	10.49
96¼	94¼	Treasury 8¼pc '84-86‡‡	96¼	+⅛	0.84	10.11
114	103¼	Treas. 12¾pc '86 Cnv.	109¾	+⅛	11.23	8.29

Five to Fifteen Years

Over Fifteen Years

Undated

Index-Linked

Prospective real redemption rate on projected inflation of (1) 10% and (2) 5%.

INT. BANK AND O'SEAS GOVT. STERLING ISSUES

CORPORATION LOANS

COMMONWEALTH AND AFRICAN LOANS

1983 High	Low	Stock	Price £	+ or −	Yield Int.	Red.
		S. Rhod. 2½pc Non-Ass.	100			
	74	Do. 3½pc 80-85 Asstd.	82	......	4.29	14.90
	44	Do. 4½pc 87-92 Asstd.	54	......	8.43	14.20
	321	Zimbabwe Ann (£100pa)	340	......	—	15.70

LOANS

Public Board and Ind.

1983 High	Low	Stock	Price £	+ or −	Yield Int.	Red.
	71½	Agric. Mt. 5pc '59-89	74½	......	6.88	11.72
	31¼	Met. Wtr. 3pc 'B'	36	......	8.35	11.11

LOANS—continued

Financial

1983 High	Low	Stock	Price £	+ or −	Yield Int.	Red.
97½	92	Fin for Ind 6¼pcDb'81-'84	96xd	......	6.52	10.70
106½	96¼	Do. 10½pcUnsLn '86	102½	......	10.64	11.28
104	96½	Do. 11pc Uns.Ln. '88	103	......	11.10	11.30
104½	97½	Do. 11¼pc Uns.Ln. '90	104½	......	11.75	11.78
106½	91½	Do. 12¾pc Uns. Ln. 1992	106½	......	11.95	11.68
81½	74½	Do. 7¼pc A Deb '89-92	01½	......	9.29	11.28
78	70½	Do. 7¼pcADeb. '91-94	78	+½	9.51	11.10
88¾	80½	Do. 9% A '91-'94	88	......	10.40	11.20
86½	72⅞	Do. 8¾pcLn. '92-97	86½	......	10.57	11.10

Building Societies

1983 High	Low	Stock	Price £	+ or −	Yield Int.	Red.
100⅛	98	N'wide 9⅞pc 28.11.83	100⅛xd	......	9.87	9.32
100½	99⅝	Do. 11¼pc 19.12.83	100⅝	......	11.25	9.58
100⅝	99	Do. 11⅞pc 23.1.84	100⅝	......	11.84	9.77
100⅞	100	Do. 11⅞pc 13.2.84	100½	......	11.82	9.45
100⅝	99	Do. 11¼pc 19.3.84	100⅝	......	11.18	9.33
100⅞	99¾	Do. 11¼pc 9.4.84	100⅛xd	......	11.17	9.27
100⅞	99½	Do 10⅝% 30/4/84	100⅛xd	......	10.61	9.10
100⅞	99⅝	Do 10⅞% 29/5/84	100⅞xd	......	10.78	9.22
100⅞	99½	Do. 10⅞pc 18.6.84	100⅞xd	......	10.77	9.27
100½	99½	Do. 10⅝pc 9.7.84	100⅝	......	10.51	9.79
100½	99⅝	Do. 10⅞pc 30.7.84	100⅝	......	10.82	10.85
100⅜	100⅛	Do. 11¼pc20/8/84	100⅜	......	11.16	10.04
100⅝	99⅞	Do. 11pc 3/9/84	100⅝	......	10.92	9.78

FOREIGN BONDS & RAILS

1983 High	Low	Stock	Price £	+ or −	Div. % Gross	Red. Yield
15	8	Chinese 4½pc 1898	13	......	—	—
11	10	Do. 5pc 1912	10	......	—	—
11	8	Do. 5pc 1913	9	......	—	—
8	5½	Do. 5pc '25 Boxer	7½	......	—	—
48	40	Greek 7pc Ass.	48xd	......	3½	17.29
46	41	Do. 6pc 28 Stb. Ass.	46	......	3	16.59
44	38	Do 4pc Mixed Ass.	44	......	2	14.60
34	27	Hung. '24 Ass	31½	......	2¾	19.07
122½	102½	Hydro Quebec 15pc Ln 2011	117½xd	+2	15	12.61
77	75	Iceland 6½pc '83-88	77	......	6½	13.70
110	94½	Do. 14pc Ln. 2016	109½	+½	14½	13.75

AMERICANS

CANADIANS

BANKS, H.P. & LEASING

1983 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
9	6½	Dawes (G. R.)	7	......	—	—	—	—
£94	£68½	Deutsche Bank DM50	£78¾	+2	v22%	—	3.5	
178	94	English Assoc.	140	......	h2.73	3.8	2.8	
66	39	First Nat. 10p	62½	......	—	—	—	
5¾	¾	Do. Wrrts. 75-83	1¾	......	—	—	—	
240	161	Gerrard Natnl.	235xd	+3	h10.0	—	6.1	
59	43	Goode D'l Mry.5p	49	......	1.0	—	2.9	
208	125	Grindlays	138	......	4.38	3.0	4.5	
*58	39	Guinness Peat	54	+4	B—	—	—	
140	100	Hambros 5p	120	......	5.28	—	6.3	
279	177	Hill Samuel	268	+2	†9.1	—	4.9	
86½	50	Hong Shng.$2.50	59	−2	†055c	—	7.3	

FT LONDON SHARE INFORMATION SERVICE

BANKS—Continued

1983 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
76	57	Jessel Toyn. & Gillett	70xd	−1	†5.5	—	11.2	—
265	185	Joseph (Leo) £1	245	......	11.25	—	6.6	—
116	94	King & Shax 20p	108	+3	7.5	—	10.2	—
370	270	Kleinwort B.L.	330	......	11.0	—	4.8	—
576	395	Lloyds £1	495	+7	†24.58	3.8	7.1	4.8
40	27	Manson Fin. 20p	28xd	−1	§1.0	1.1	5.3	(27)
450	234	Mercury Secs.	450	+5	9.5	—	3.0	—
443	272	Midland £1	400	+12	†25.5	5.1	9.1	4.2
£80	£67	Do. 7½% 83-93	£79¾	+⅛	Q7½%	38.9	†10.0	—
£98¼	£89½	Do.10¼% 93-98	£98½	......	Q10¼%	38.9	†12.0	—
118	77	Minster Assets	99	−1	†4.7	2.1	6.8	9.2
*210	128	Nat. Com. Bk. Aus. $A1	210	+5	Q23c	φ	6.8	φ
675	446	Nat. West. £1	610	+12	†29.0	3.9	6.8	4.1
£80	£58	Ottoman Bank £20	£58½	......	Q45%	—	—	—
141	115	Royal Bk. of Scot.	132	......	†6.7	3.6	7.2	4.7
655	465	Schroders £1	615	......	15.0	—	3.5	—
250	200	Seccombe M/C £1	238	......	19.0	—	12.1	—
£37⅛	£22¼	Sec. Pacific Corp.	£31½	+⅛	Q$2.40	—	4.2	—
52	32	Smith St. Aub.	41xd	......	3.5	—	12.2	—
*505	343	Stand'd Chart £1	443	+5	†27.0	2.4	8.7	5.4
$23½	$11½	Trade Dev. $1.50	$20	+½	—	—	—	—
590	515	Union Disc £1	565	......	31.0	—	7.8	—
£26⅞	£16½	Wells Fargo $5	£24⅝	+½	Q$1.92	—	5.2	—

Hire Purchase, Leasing, etc.

BEERS, WINES & SPIRITS

BUILDING INDUSTRY, TIMBER AND ROADS

CHEMICALS, PLASTICS

CHEMICALS, PLASTICS—Cont.

1983 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
120	102	Wolstenholme	103	......	6.25	2.1	8.7	(6.4)
85	44	Yorks Chems	77	......	1.0	0.6	1.9	—

DRAPERY AND STORES

1983 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
30	18	Abels Jewellery 10p	20xd	......	‡d3.7	—	—	—
29½	21	Allebone 10p	24½	......	0.5	1.8	2.9	(21.9)
25	7½	Amber Day 20p	9	+½	—	—	—	7.5
55	37	Aquascutum 5p	45	......	2.05	8.3	6.5	—
42½	29½	Do. 'A' 5p	34	......	2.05	8.3	8.6	—
975	675	Asprey	775	......	16.0	2.9	3.0	12.8
134	91	Baker's Strs. 10p	98	+7	1.65	5.1	2.4	11.6
37	11	Bambers Stores 10p	12¢	......	0.25	—	3.0	—
98	73	Beattie (J) 'A'	83	......	2.65	3.8	4.6	10.4
49	39	Bentalls 10p	45	......	†1.6	2.7	5.1	17.0
14	4	Boardman KO 5p	12	−1	—	—	—	—
18	11	Bolton Text. 5p	18	+1	—	—	—	—
53	24	Bremner	48	......	2.2	0.8	6.5	(33)
236	196	Brit. Home Strs.	216	......	5.25	2.7	3.5	15.2
160	113	Brown (N) 20p	125	......	6.0	2.3	6.9	9.4
384	276	Burton Grp. 50p	378	+8	†7.75	2.7	2.9	(14.8)
84	40	Caird (A.)	65	......	0.5	—	1.1	—
70	43	Cantors 'A' 20p	58	−1	1.5	5.5	3.7	5.2

ELECTRICALS

ELECTRICALS—Continued.

1983 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
491	325	Utd. Scientific	342	−8	†4.0	3.5	2.7	21.9
70	25	Vistron EV. F/0.25	54	......	—	—	—	—
98	45	Ward & Gold	85	......	2.0	0.5	3.4	—
*235	223	Webber B. 12½p	233	......	d3.5	2.0	2.1	27.5
51	34	Wstn. Select 20p	37	......	2.5	1.4	9.7	9.8
95	62	Whitworth El. 5p	62	......	1.51	5.1	3.6	6.3
320	240	Wh'lesale Ftg 10p	248	......	5.1	3.0	5.0	15.8

ENGINEERING

1983 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
17	9	AI Ind. Prods.	14	......	0.01	—	0.1	—
390	272	A.P.V. 50p	275	−2	10.5	2.6	5.5	7.9
62	40	Acrow	45	......	—	—	—	—
26	10	Do. 'A'	14	......	—	—	—	—
246	190	Adwest Group	218	+2	9.1	2.1	6.2	9.9
34	28	Allen W.G.	30	......	—	—	—	—
490	380	Ash & Lacy	442	......	18.0	2.5	5.8	8.7
17	11	Astra Ind'l. 10p	12½	+½	0.53	0.6	6.0	(4?)
13	8	Aurora 10p	10	......	B—	—	—	—
13	9	Do. 9pcCvCnRdPf	10	......	—	—	—	—
37	33	Austin (James)	33xd	......	1.87	—	8.1	—
192	102	Babcock Intl.	138	......	7.0	1.9	7.2	9.4
17½	10	Bailey (C. H.)	11	+½	—	—	—	—
117	83	Baker Perk. 50p	91	+2	5.1	1.7	8.0	(8.6)
60	43	Banro Inds 20p	43	......	3.3	1.0	10.7	13.6
42	24	Barton Grp.	38	......	†2.4	0.5	9.0	62.9
74	46	Beauford 10p	51xd	......	3.5	3.1	9.8	4.7
157	12	Bedford (Blackheath)	100	+2	—	—	—	—

FOOD, GROCERIES, ETC.

FOOD, GROCERIES—Cont.

1983 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
63	25	Somportex	35	......	1.8	—	4.3	—
32	23	Squirrel H'n 12½p	27	......	‡1.81	1.7	—	7.3
*363	209	Tate & Lyle £1	356	......	15.5	3.3	6.2	6.8
44	22	Tavener Rut. 20p	38	......	—	—	—	—
176	111	Tesco 5p	171	+1	3.5	2.8	2.9	15.5
£153	£111	Do 9pcCnLn 2002-07	£148	−1	Q9%	—	F6.3	—
113	90	Unigate	110	......	6.8	1.8	8.8	(7.6)
160	128	United Biscuits	139	+2	†5.8	2.4	6.1	7.9
95	66	Watson Phlp. 10p	67	......	4.0	2.8	8.5	8.3

HOTELS AND CATERERS

1983 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
37	21½	Comfort Int. 10p	32½	......	†0.65		2.9	18.3
278	210	De Vere Hotels	278	......	6.0		3.1	16.6
45½	35½	Epicure 5p	39½	......	d2.13		7.9	8.8
178	98	Kennedy Brookes 10p	178	......	1.0		0.8	18.8
366	297	Grand Met. 50p	333	+1	†8.36		3.6	11.4
*39	29	Mtns Leisure 5p	34	−1	g0.42		1.8	17.5
260	150	Kennedy Brookes 10p	220	......	1.23		0.8	12.9
233	160	Ladbroke 10p	210	+6	†8.0		5.4	12.7
150	130	Midsummer Inns £1	135	......	2.5		2.3	13.7
47½	28	Mt. Charlotte 10p	47½	......	†1.02		3.1	(44)
38	27	Norfolk Cap 5p	37	......	0.2		0.8	—
135	58	Prince of Wales	134xd	......	†2.25		2.4	12.8
*40	30	Queen's Moat 5p	33	......	h1.33		5.8	11.6
£157	£131	Do. 10pcCnv.89-91	£131	−1	Q10%		5.8	—
200	145	Rowton Hotels	173	......	7.0		0.7	

INDUSTRIALS (Miscel.)

INDUSTRIALS—Continued

1983 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
60	35	Maan & Scott Hldgs	48	......	M1.0	—	2.2	—
23	9¾	Keep Trust 5p	12	......	†0.15	—	‡	—
210	140	Kelsey Inds.	185	......	8.0	1.7	6.2	12.7
155	110	Kershaw (A.) 5p	140	......	†15.0	0.6	‡	(21.1)
80	39	Kleen-E-Ze Hldgs.	70	......	3.0	0.5	6.1	—
101	52	L.C.P. Hlds	80	+2	3.6	1.2	5.8	(11.1)
32	14	LDH Group	26	—	—	—	—	♦
132	93	L.R.C. Int. 10p	110	......	h2.95	2.3	3.8	14.4
34	17	Lamont Hldgs. 10p	32xd	......	†1.3	1.8	5.8	12.6
41	26	Lawtex	41	......	—	—	—	♦
480	345	Lep Group 10p	460	......	17.5	0.3	5.4	63.8
48	22	Lilleshall 10p	42	......	d1.0	—	3.4	—
350	39	Lon. & Liv. 10p	51	+4	h2.75	3.5	7.7	4.6
135	97	London & Mid'd.	109	+1	7.75	1.1	10.2	12.2

LEISURE—Continued

1983 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
100	40	Black & Edgtn.	74	+2	♦—	—	♦	19.6
178	118	Boosey & Hawkes	160xd	......	†2.3	1.5	2.1	(48.9)
61	32	Campari Int. 20p	39	−1	‡d2.73	1.2	‡	(30.0)
170	160	Central TV N/Vtg 50p	168	......	—	—	—	—
36	23	Fairline Boats 10p	36	......	†d1.0	—	4.0	—
39	14½	GRA Group 5p	38	......	—	—	—	48.2
62	45	Grampian TVA 10p	62	......	3.6	2.9	8.6	4.8
184	136	HTV Non-Vtg.	182	−1	11.0	2.2	8.6	7.7
222	118	Horizon	125	......	†3.6	5.7	4.1	5.4
162	91	Intasun 10p	142	......	4.0	9.5	4.0	6.5
60	22	Intervision Video 10p	28	+1	1.0	♦	0.4	♦
380	258	Juliana's Hldgs 2p	380	+7	b4.9	2.4	1.8	27.6
185	139	LWT "A"	182	+3	11.08	1.1	8.7	14.6

MOTORS, AIRCRAFT TRADES

Motors and Cycles

Commercial Vehicles

Components

Garages and Distributors

NEWSPAPERS, PUBLISHERS

PAPER, PRINTING ADVERTISING

PROPERTY

INSURANCES

LEISURE

PROPERTY—Continued

SHIPPING

SHOES AND LEATHER

SOUTH AFRICANS

TEXTILES

TOBACCOS

TRUSTS, FINANCE, LAND

Investment Trusts

INVESTMENT TRUSTS—Cont.

Finance, Land, etc.

OIL AND GAS

OIL AND GAS—Continued

OVERSEAS TRADERS

PLANTATIONS

Rubbers, Palm Oil

Teas

MINES

Central Rand

Eastern Rand

Far West Rand

O.F.S.

Finance

Diamond and Platinum

Central African

MINES—continued

Australians

1983 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
28½	13½	♥ACM 20c	18	+½	—	—	—
52	32	Allstate Expla NL	40	......	—	—	—
40	9	♥Australis Mng. NL	25	......	—	—	—
25	11	Balmoral Resources	13	−2	—	—	—
60	34	♥Black Hill Mins.	35	......	—	—	—
85	51	♥Bond Corp.	70	−1	Q10c	♦	9.2
183	116	♥Bougainville 1 Kina	148	+4	mQ3.21	1.2	1.4
372	204	♥CRA 50c	352	−2	tQ3c	—	0.5
145	60	♥Carr Boyd 20c	70	+4	—	—	—

Tins

Miscellaneous

NOTES

... issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. n Rights issue pending. q Earnings based on preliminary figures. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. v Subject to local tax. x Dividend cover in excess of 100 times. y Dividend and yield based on merger terms. z Dividend and yield include a special payment: Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. D Issue price. E Minimum tender price. F Dividend and yield based on prospectus or other official estimates for 1983-84. G Assumed dividend and yield after pending scrip and/or rights issue. H Dividend and yield based on prospectus or other official estimates for 1984. K Figures based on prospectus or other official estimates for 1982-83. M Dividend and yield based on prospectus or other official estimates for 1983. N Dividend and yield based on prospectus or other official estimates for 1982-83. P Figures based on prospectus or other official estimates for 1983. Q Gross. T Figures assumed. Z Dividend total to date.
Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xc ex capital distribution.

REGIONAL AND IRISH STOCKS

The following is a selection of regional and Irish stocks, the latter being quoted in Irish currency.

Stock	Price	+ or −	Stock	Price	+ or −
Albany Inv. 20p	62	......	Fin. 13% 97/02	£95⅞	+⅛
Bag'wtr. Est. 50p	295	......	Alliance Gas	70	......
Craig & Rose £1	£10½	......	Arnott	210	......
Finlay Pkg. 5p	35	......	Carroll (P.J.)	99	+2
Higsons Brew.	85	......	Concrete Prods.	75	......
Holt (Jos) 25p	910	......	Heton (Hldgs.)	17	......
I.O.M. Sea. £1	130	......	Irish Ropes	94½	......
IRISH			Jacob	83	......
Exch. 12% 1985	£99	......	T.M.G.	85	......
Nat 9¾% 84/89	£88¾	+⅛	Unidare	75	......

OPTIONS

3-month Call Rates

Stock	Price	Stock	Price	Stock	Price
Burton Ord.	35	Midland Bank	40	Oils	
Cadburys	12	N.E.I.	10	Brit. Petroleum	38
Courtaulds	10	Nat. West. Bank	55	Burmah Oil	17
Debenhams	14	P & O Dfd.	21	Charterhall	9
Distillers	20	Plessey	19	KCA	6
Dunlop	6	Racal Elect.	20	Premier	6
Eagle Star	45	R.H.M.	7	Shell	55
F.N.F.C.	5½	Rank Org. Ord.	20	Tricentrol	22
Gen. Accident	42	Reed Intnl.	32	Ultramar	65
Gen. Electric	18	Sears	8		
Glaxo	75	T.I.	15	Mines	
Grand Met.	30	Tesco	17		
G.U.S. 'A'	58	Thorn EMI	55	Charter Cons.	20
Guardian	45	Trusthouse	16	Cons. Gold	58
G.K.N.	16	Turner & Newall	7	Lonrho	9
Hawker Sidd.	28	Unilever	70	Rio T. Zinc	62

A selection of Options traded is given on the London Stock Exchange Report page

"Recent Issues" and "Rights" Page 33

This service is available to every Company dealt in on Stock Exchanges throughout the United Kingdom for a fee of £700 per annum for each security

FT UNIT TRUST INFORMATION SERVICE

AUTHORISED UNIT TRUSTS

[illegible]

INSURANCES

[illegible]

Authorised Units—continued

Atlanta Unit Trust Managers Ltd
1 Founders Ct, Lothbury, EC2. 01-899 8664

Jap & Far East	—	50.9	....	1.0

Baillie, Gifford and Co Ltd
3 Glenfinlas St, Edinburgh. 021-225 2581

JapExNov9	149.3	147.7	....	9.34
IntEx*Nov2	224.8	237.2	....	1.52
BGPPn1018	214.2	225.5	....	—

Equity & Law Un Tst Mngrs (a) (b) (c)
Amersham Rd, High Wycombe. 0494 33377

Eqtu Tst Acc	60.7	65.2	+0.2	2.22

Robert Fleming & Co Ltd
8 Crosby Square, EC3A 8AN. 01-638 5858

AmExFd*	£267.53	283.31	....	0.89
JapExFd*	£150.56	164.65	....	1.16

Next subscription day Nov 1 1983.
*Fleming American Property Unit Trust.
Latest issue price 115/111 US$19.621.
Units are issued on Feb 15, May, Aug, Nov.
*Fleming Property Unit Trust.
Latest issue price 129/91 £2.979.
Units are issued on March 25, June 24, Sept 29 & Dec 25.
*Unauthorised.

Guardian Royal Ex Unit Mngrs Ltd (a)
Royal Exchange EC3V 3LS. 01-638 2920

Gilt & Fixed	115.2	119.6	+0.4	0.72
Growth Eq	100.0	106.5	+0.7	2.52
Guardhill	103.0	109.5	+1.2	3.32
Nth Amer	95.4	100.5	+0.7	1.67
Pacific	102.8	110.6	+0.1	0.38
Prop Shares	103.1	119.9	−0.2	2.00
Smaller Cos	105.6	113.6xd	−0.4	2.12

H.B.L. Unit Trust Mngrs Ltd (a) (c) (g)
Premier UT Admin, 5 Rayleigh Rd, Hutton, Brentwood, Essex. 0277-227300

SmllrCosTst	61.9	54.8	+0.2	4.32
Nth Amer	47.9	50.4	+0.3	1.57
Japan Far Tst	52.7	55.5xd	−0.3	1.32
Scandinvn Tst	47.6	50.1	+0.4	1.59

Hexagon Services Ltd
4 Gt St Helens, London EC3P 3SP. 0708 46222

AustnFrs	107.2	12.0	....	2.50
Brewin Cap	89.0	85.2	....	9.82
Brewin Int	74.8	78.8	.	3.99
Canada Grw	107.5	115.6	.	9.98

Lawson Fund Managers Ltd (a) (c) (g)
43 Charlotte Sq, Edinbgh 2. 031-225 6091

Charltt Sq Fd	52.5	54.5	...	4.8
Pen Shr Fd	13.8	14.6	. .	1.8
Aust & Pac	8.1	9.0	. .	0.6
High Yield	19.2	21.7xd		11.99
Do Accum	20.6	21.1ad	+0.1	11.00

MGM Unit Managers Ltd
MGM House, Heene Road, Worthing. 91-623 8211

High Inc	123.7	133.0xd	+9.7	8.04
(Accum Uts)	129.5	139.3xd	+9.7	8.04
UK Growth	119.1	128.1ad	+9.4	3.16
(Accum Uts)	129.6	129.7xd	+9.4	3.16

MLA Unit Trust Management Ltd
Old Queen St, SW1A 0JG. 01-222 8676

MLA Uts	186.4	195.6	. .	2.74
MLA Iin	28.0	29.2	. .	0.85

The Money Market Trust
63 Qn Victoria St, EC4N 4ST. 01-236 0052

7 Day Fund	—	—	. .	6.69
Call Fund	—	—	. .	8.96

*Unauthorised—Sterling Deposit Fund.

Scottish Unit Managers Ltd
29 Charlotte Sq, Edinburgh. 021-226 4372

Pacific Fund	34.9	27.9	−9.2	0.39
World Growth	23.0	24.9xd	+0.2	2.40
Nth. Amer	23.9	25.9	+0.1	0.37
Income Fund	23.8	25.6xd	+0.1	4.02

Offshore and Overseas—continued

Actibonds Investment Fund SA
37 rue Notre Dame, Luxemb'rg. Tel 47971

Actibonds In	—	$19.85	..	—

Alliance Capital Management Intl Inc
62/63 Queen St, London EC4. 01-248 8881
Alliance International Dollar Reserves
Distribution Nov 1-6 (0.001397) (8.87%)

HealthCrNov9	—	$8.59	−9.96	—
TechnologyNv9	—	$29.51	−2.24	—
QuasarNov9	—	$45.54	−0.85	—

Aries Fund Managers Limited
PO Box 204, St Helier, Jersey. 0534 72177

SterlingFixedInt	10.57	10.57	+9.08	

Bamford Brandt Guernsey Mngt Ltd
PO Box 71, St Peter Port, Guernsey. 0481 26341

Tech&Coms	£7.85	8.12	.	—
IntGrowth	$16.32	17.32	. ..	—

Brown Shipley St Co (Jersey) Ltd
PO Box 563, St Helier, Jersey. 0534 74777

StlgCapital	£16.44	16.45		—
IntCurrency	£1.00	1.14		—
IntBondInc	$19.34	10.89	..	—
IntBondAcc	$19.34	19.39	...	—

CAL Investments (IoM) Ltd
18 St Georges St Douglas IoM. 0624 20231

CAL C&C*	83.7	88.1		—
CAL Metals	95.1	100.1		—
CAL Silv**	222.2	235.1	−9.5	—
CAL Gld**	80.9	93.7	−0.2	—
CAL Copper**	—	—		—
CAL Alum**	88.2	92.8	+0.7	—

*Dealing days every Monday.
**Dealings daily.

CAL Investments (Bermuda) Ltd
PO Box 1022, Hamilton, Bermuda.

CAL CTR Fd	68.2	71.6		

Dealing days every Monday.

Commodity Advisory Svcs (IoM) Ltd
48 Athol St, Douglas, IoM.

Com&FFAc	84.23	87.74		
Com&FFD	84.23	87.04		

Next dealing date [illegible]

Citibank (CI) Ltd "Citifunds"

Channel Is Transatlantic Inv Funds Ltd
Green St, St Helier.

U.S. $ Fd	$19.372	[illegible]
£ Sterling Fd	£5.185	[illegible]
SwFrancFd	SwFr29.207	[illegible]
Jap Yen Fd	Y2,044.236	[illegible]
DeutschmkFd	DM20.304	[illegible]
Managed Fd	$19.138	[illegible]
Citicare Fd	9.390	[illegible]

Dunvest Ltd
PO Box 887, Grand Cayman.

NAV	$136.29

EBC Trust Company (Jersey) Ltd
1-3 Seale St, St Helier, Jersey.

US$ Dep Sh'L/A	1.2974	[illegible]
Do Dist	1.0157	[illegible]
Mgd Cur Sh'L/B	1.1357	[illegible]
Do Dist	0.9415	
Surobd Lng Tm	23.54	

Fidelity International
9 Bond St, St Helier, Jersey.
D'lers 33201. PO Box 870. [illegible]

DllrSvgsTst	197.92
AmV1S3‡	102.75
Am VICm‡	53.52

‡Prices at Oct 2[illegible]

First Gold & Metals Trust PLC
60 St James's St, London SW1. [illegible]

First Gold	8.24

Forbes Securities Management Co
PO Box 887, Grand Cayman. London Agents [illegible]

Gold Inc	$9.31	9.81xd
Gold Acc	$7.71	8.12
Dollar Int	$8.86	0.30xd

Framlington Overseas Fund Mngt Ltd
PO Box 71, St Peter Port, Guernsey.

O'seas&Gth	40.6	62.2xd
O'seas&Gth	$72.5	77.6xd

GRE International Invest Mngt Ltd
PO Box 194, St Helier, Jersey.

ManCurFd	£10.23

Grieveson Mgmt (CI)—Barrington Fund
30 Bath St, St Helier, Jersey.

IntIncNov19	94.2	98.3xd

Grindlay Henderson Mngt Ltd
PO Box 414, St Helier, Jersey.

Mgd Fd	£10.4503	[illegible]
Mgd Acc	£9.9212	[illegible]
Stlg Fd	—	[illegible]
Stlg Acc	—	[illegible]
U.S.$ Fd	—	[illegible]
U.S.$ Acc	—	[illegible]
DM Acc	—	[illegible]
SwFrAcc	—	[illegible]
Yen Acc	—	[illegible]

Guinness Mahon Int Fund (Guernsey)
PO Box 166, St Peter Port, Guernsey.
Currency Deposit Shares

Dollar	$29.295
Sterling	£10.093
Yen	Y5,028.369
Deutschmark	DM59.231
Swiss Franc	SwFr40.084

IGF Management Services Inc
c/o Registrars PO Box 1044 [illegible]

IntGoldFd	$53.28	56.04
Optima	—	—

Jardine Fleming & Co Ltd
48th Floor, Connaught Centre, Hong Kong.

Curr Bd	$12.87	13.59
(Accum)	$17.92	19.21
Asean	$9.04	10.42
(Accum)	$9.84	10.42
American	$8.57	9.21
(Accum)	18.57	0.21
Mgd Corr	$10.02	—
(Accum)	$10.02	—

Lazard Brothers & Co (Jersey) Ltd
PO Box 108, St Helier, Jersey.

LazBrFzrE	$13.89	14.70
CoGGd	$1,272.62	1,389.50
O'heldGd	$10.21	10.28
N Am Fd	$10.12	10.77

Lloyds Bank International, Geneva
PO Box 438, 1211 Geneva 11

L I Dollar	$98.1	101.3
L I Growth	SF861.5	918.0
L I Int	SF300.50	312.0
L I Pacific	SF104.7	110.5

Lloyd's Life (Isle of Man) Ltd
Ealing Hse, Castletown, IoM.

SAIF	96.0	100.0

[illegible]

Insurances—continued

Albany Life Assurance Co Ltd
3 Darkes Lane, Potters Bar. 0707-42311
Pension Funds

EqPenFdAc	591.8	622.6	+3.6	—
FixedPenAc	410.0	440.0	+0.6	—
GtMinPnAc	248.2	261.4	....	—
Intl Man	244.9	256.8	+0.8	—
Jap Pens Fd	116.8	122.0	−0.0	—
AmPfDdAc	127.4	134.1	+1.4	—
Prop Pn Ac	228.2	249.1	+1.0	—
MpltnPnAc	601.3	527.6	+1.5	—

Commercial Union Group
St Helens, 1 Undershaft, EC3. 01-283 7500

VarAnUtsNv1	—	142.66	....	—
VarAnUtsNv11	—	32.13	....	—
Prime Series				
Managed	124.1	130.7	+1.6	—
UK Equity	126.8	123.5	+3.8	—
Int Equity	119.5	125.8	+0.2	—
Property	102.0	108.4	....	—
Fixed In	110.1	115.9	+9.4	—
Index Lk Gt	00.8	05.6	+9.1	—
Cash	99.2	104.5	....	—
Hand-in-Hand				
Cash	121.2	127.8	+0.1	—
Fixed Int	141.0	148.8	+0.2	—
Property	141.7	140.2	+0.1	—
NatWest	180.5	100.1	+4.8	—

Continental Life Insurance PLC
64 High St Croydon CR0 0XN 01-680 5225

Equity Acc	149.6	157.8	...	—
Propty Acc	147.1	134.9	...	—
Int Acc	147.6	158.4	...	—
Managd Acc	140.6	157.7	...	—
Spec Sits	112.1	118.0	...	—
PenSqtyAcc	171.0	180.1	...	—
PenPrpAcc	158.5	166.7	...	—
PenIntlAcc	130.0	148.4	...	—
Pen Mn Acc	188.1	163.3	...	—

Gilt Deposit, Index Fund prices available on request.

Crown Life
Crown Life House, Woking GU21 1XW. 04862-6023

PenMnyAcc	125.2	131.7	....	—
PenMnyInt	114.7	120.7	....	—
PECorontFd	171.8	189.1	....	—
BrewinSqFd	221.0	244.1	....	—
StratInvFd	135.7	142.8	....	—
Heritage Fd	129.5	136.3	....	—
Sage Fd	113.1	118.0	....	—
DB6 Mangd	134.4	141.4	....	—

Friends' Provident Life Office
Pixham End, Dorking. (0306) 885955
Life Funds

Cash Accum	97.4	102.6	+0.1	—
UK Sqty Ac	104.8	119.4	+0.8	—
FxdInt Acc	101.3	106.7	+0.2	—
IndexLkdAcc	93.8	98.8	....	—
Mixed Acc	101.3	106.7	+0.3	—
O'seasEqFd	97.4	102.8	+0.8	—
Property Acc	98.7	103.0	....	—
Pension Funds				
Cash Cap	97.5	102.7	....	—
Cash Acc	99.2	104.5	....	—
UK Eq Cap	101.2	106.6	+0.8	—
UK Eq Acc	103.9	104.5	+9.6	—
FixedIntCap	100.2	105.5	+0.2	—
FixedIntAcc	101.9	107.3	+0.2	—
IndxLkdCap	91.7	96.8	....	—
IndxLkdAcc	93.5	98.3	....	—
Mixed Capti	99.3	104.6	+0.5	—
Mixed Acc	101.0	106.4	+0.5	—
O'seasEqAc	98.6	103.8	+1.0	—
O'seasEqCap	100.4	195.7	+1.1	—
Propty Capti	98.0	100.1	....	—
Propty Acc	96.8	101.0	....	—

Guardian Royal Exchange
Royal Exchange, EC3. 91-283 7107

GRE Pensions Management Ltd

PensPropInt	129.7	136.6	....	—
PensPrpAcc	140.6	148.2	....	—
PensIxLkGtIn	94.4	98.3	+0.5	—
PensIxLkGtAc	98.5	100.5	+0.8	—
PensDepInt	137.7	145.0	....	—
PensDepAcc	140.5	157.5	....	—
PensDepAcc	140.6	157.5	....	—

Henderson Administration
26 Finsbury Sq, London EC2. 01-638 8757

High Inc	138.5	145.8	+0.0	—
Gilt Edged	96.1	101.2	+0.3	—
Cap Growth	149.8	148.1	+0.7	—
Technology	159.6	168.1	+0.2	—
Nat Res'ces	131.8	138.8	+1.0	—
Spec Sits	180.7	190.3	+0.3	—
N America	212.4	224.7	+1.9	—
Far East	178.0	158.4	−0.6	—
Property	118.6	122.6	....	—
Managed	181.5	101.1	+0.7	—
Prime Rest	117.4	123.6	....	—
Deposit	117.8	124.1	....	—
Mod Curncy	94.2	99.2	+0.8	—
Glb Hth Care	91.8	96.7	+0.5	—
Pension Funds				
UK Equity	102.1	107.5	+0.6	—
Fixed Int	110.7	118.8	+0.4	—
Spec Sits	114.0	120.1	+0.1	—
N America	108.1	113.8	+1.1	—
Far East	122.6	129.1	−0.4	—
Managed	110.2	116.1	+0.7	—
Comm Prop	100.0	105.3	....	—
Prime Resit	106.7	112.4	....	—
Deposit	100.9	106.3	....	—

Capital unit prices available on request.

Kinsman Assurance Society
43 Charlotte Sq, Edinburgh. 031-225 6166

Life Assce	200.8	204.9	....	—
Savings New	115.1	120.6	....	—
Savings Wdo	178.2	181.0	....	—

Liberty Life Assurance Co Ltd
Station Rd, New Barnet. 91-440 8210
Fund Managers: Touche Remnant & Co

Sell Sec A	23.8	24.9	....	—
Blue Chip	17.3	18.3	....	—
Fixed Yield	17.9	18.9	....	—
Grntd Money	14.8	15.6	....	—
Managed	17.1	18.0	....	—
International	22.3	23.5	....	—
Property	13.3	14.1	....	—
Pacific	18.7	17.8	....	—
Equity	13.6	14.4	....	—
Special Sits	20.1	21.2	....	—
International	12.5	13.2	....	—
Indx Lkd Secs	19.5	11.1	....	—
American	17.4	18.4	....	—

London Life Linked Assn Ltd
100 Temple St, Bristol BS1 6EA. 0272-279179

Equity	218.8	225.3	+2.7	—
Fixed Int	167.2	168.0	+0.2	—
Property	166.4	171.3	+0.1	—
Deposit	142.0	142.6	+0.1	—
Mixed	189.0	193.8	+1.9	—
Index Stk	109.6	110.1	+0.3	—
International	112.7	114.0	−0.3	—

London Life Managed Funds Ltd

Equity(P)	158.8	164.3	+2.7	—
Fixed Int(P)	172.8	174.0	+0.3	—
Property(P)	122.9	127.2	−0.8	—
Deposit(P)	122.6	122.6	+0.2	—
Mixed(P)	151.8	158.4	−0.2	—
Index Stk	116.7	116.8	+0.3	—
Int Equity	100.4	111.5	−0.2	—

Moneywise Friendly Society
20 Holdenhurst Rd, Bournemouth. 0202 295678

Mnywise Int	48.3	51.4	....	—

Municipal Life Assurance Ltd
00 Sandling Rd, Maidstone. 0622 679381

Equity Fd	96.0	102.0	....	—
Managed Fd	103.0	110.0	....	—

Premium Life Assurance Co Ltd
Eastchester House, Haywards Heath. 0444-458721

Nat Res'ces	102.0	108.0	....	—
Property	140.0	148.0	....	—
UK Equity	137.0	145.0	....	—
Intl Equity	122.8	129.0	....	—
Jarretts Fd	97.0	103.0	....	—

Prudential Pensions Ltd
Holborn Bars, EC1 2NH. 01-405 0222
Pru Link Retirement Plan

Managed Fd	144.4	150.5	....	—
Cash Fd	113.9	118.7	....	—

St George Assurance Co Ltd
The Priory, Hitchin, Herts. 0462 57181

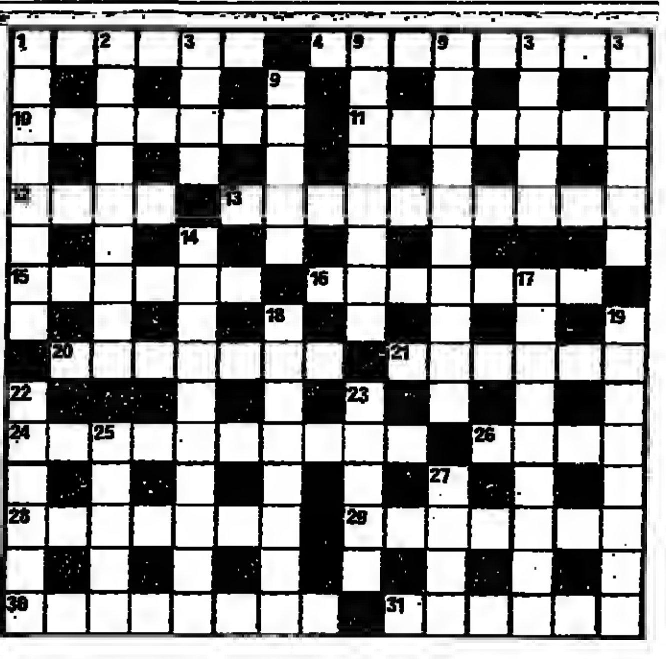
Managed Fd	103.4	108.0	....	—
Universal Fd	100.8	195.3	....	—

Save & Prosper Group
4 Gt St Helens, London EC3P 3SF. 0708 66966

Gilt Pen Fd	187.7	198.7	....	—

[illegible]

F.T. CROSSWORD PUZZLE No. 5,266



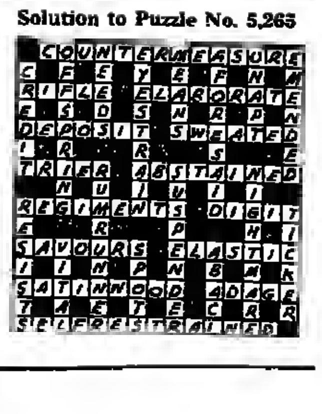
ACROSS

1 Beater getting money back? (6)
4 Workers on holiday? Don't interfere! (5, 3)
10 Drunk's address, we hear, from American general (7)
11, 12 High spot for Milligan outside cafe with two pounds (7, 4)
13 Not far from the hour in the middle (10)
15 Nobleman in New York? Not quite (6)
16 Where soldiers show their disapproval? (7)
20 New taps needed in the kitchen? (4-3)
21 It gives a subjective view (6)
24 All the players can do about saucy love and anger (10)
26, 28 Least tended possibly but they don't sting (4, 7)
29 Chopper returning to pit—check (7)
30 Bird from Cape William? (8)
31 Little insult (6)

DOWN

1 Flowers in the shade? (4-4)
2, 3 Early TV for a holiday of rapid duration? (9, 4)
5 Dog Latin as a translation (8)
6 Trained man to be an actor (4, 6)
7 Visible round green (5)
8, 9 Effect of a drop of spirit could be the devil (6, 5)
14 Its members make their own arrangements (6, 4)
17 Minding about cat or dog on the floor? (9)
18 Wake up between numbers in a show (8)
19 Treading unevenly due to slope (8)
22, 23 Chips frites (6, 5)
25, 27 Perpetual motion, by Rubens? (5, 4)

Solution to Puzzle No. 5,265



INSURANCE & OVERSEAS MANAGED FUNDS

Black Horse Life Ass. Co. Ltd.
71, Lombard St., EC3. 01-623 1288

Black Horse Man. Fd.	233.77		—	—
Managed Inv. Fd	156.86	165.12	—	—
Property Fd.	151.86	159.40	—	—
Fixed Interest Fd.	146.09	153.78	—	—
Cash Fd.	136.40	143.60	—	—
Income Fd.	168.36	177.23	—	—
Extra Income Fd.	160.75	169.22	—	—
Worldwide Growth Fd.	219.35	230.90	—	—
Balanced Fd.	167.80	176.64	—	—
Smk Co's & Recy. Fd	198.34	208.78	—	—
Int. Technology Fd.	250.82	264.03	—	—
Nth. Amer. & Gen. Fd.	157.88	166.19	—	—
Energy Int. Fd.	100.47	105.76	—	—
Pacific Basin Fund	135.41	142.54	—	—

British National Life Assurance Co. Ltd.
Harlands Rd, Haywards Heath. 0444 414111

Managed	112.1	118.0	—	—
Property	112.1	118.0	—	—
Equity	113.6	119.6	—	—
International	126.6	133.3	—	—
Fixed Interest	101.8	107.1	—	—
Deposit	99.5	104.7	—	—
Managed Pen. Cap.	112.3	118.2	—	—
Property Pens. Cap.	112.4	118.3	—	—
Equity Pens. Cap.	107.6	113.2	—	—
Intnl. Pens. Cap.	131.4	138.3	—	—
Fixed Int. Pens. Cap.	99.2	104.4	—	—
Deposit Pens. Cap.	97.3	102.5	—	—

Canada Life Group
2-6, High St., Potters Bar, Herts. P. Bar 51122

Equity 6th Nov 2		91.5	—	—
Rmt. Fed. Aug 6		255.4	—	—
Managed Pen Fund	186.9	177.5	—	—
Property Pen Fund	114.2	120.2	—	—
Index Lnkd Pen Fund	112.4	118.3	—	—
Managed	120.7	127.1	+0.5	—
Property	104.2	109.7	—	—
Gilt and Fixed Interest	107.2	112.9	+0.3	—
Index-Linked	98.7	103.9	+0.1	—
Equity	119.1	125.4	+0.7	—
Cash	104.0	109.5	—	—
Midland Bk. Unit Tst.	117.1	123.3	+0.7	—
Midland Bank Intnl.	137.4	144.7	+0.6	—

Cannon Assurance Ltd.

G.T. Management Ltd.
16 Finsbury Circus, Lond. EC2M 7DJ. 01-628 8131

G.T. Pen Bond Fund	121.8	128.3	-0.6	—
GT Pln High Yld Fnd	118.0	124.3	—	—
GT Pen Far East Fnd	111.8	117.7	—	—
GT Pen N. Am Fd.	132.2	139.2	—	—
GT Pln UK&G.E. Fnd	131.7	138.7	—	—
GT Pln Wrldwide Fnd.	129.6	136.5	—	—
GT Pension Bnd Fnd.	131.1	138.1	+0.7	—
GT Pen High Yld Fd	133.9	141.0	—	—
GT Pen Far East Fd	135.4	142.6	—	—
GT Pen N. Am. Fd.	189.4	199.4	—	—
GT Pen UK & G.E. Fd	152.0	160.1	—	—
GT Pen Worldwide Fd.	137.4	144.7	—	—

Prices for Accum. Units only.

Assicurazioni GENERALI S.p.A.
117, Fenchurch St., EC3M 5DY. 01-488 0733

Intl. Managed Bond	166.9	175.7	—	—

General Portfolio Life Ins. C. Ltd.
Crossbrook St., Cheshunt, Herts. Waltham X 31971

Portfolio Fd. Acc.	246.2	—	—	—
Portfolio Fd. Init.		202.8	—	—
Portfolio Fd. Cap.		235.0	—	—
Investment A/cs	246.1	259.1	—	—

Gresham Unit Ass. Ltd.
2-6, Prince of Wales Rd. B'mouth. 0202 767655

Managed Fd.	268.8	283.2	+1.4	—
Money Fd.	155.5	163.7	+0.1	—
Equity Fd.	226.8	239.0	+2.0	—
Fixed Int. Fd.	117.8	124.1	—	—
Property Fd	172.1	181.5	—	—
Managed Pen. Fd.	250.9	264.4	—	—
Equity Pension Fd.	177.0	186.6	—	—
Fixed Int. Pen. Fd.	164.3	173.1	—	—
High Yield Pen. Fd.	162.1	170.8	—	—
Money Pension Fd.	128.4	135.1	—	—
Property Pension Fd.	127.3	134.1	—	—
American & Gen. Fd.	246.6	259.8	-0.6	—
Income Fd	178.6	188.2	-3.7	—
Int'l. Growth Fd	262.9	277.0	-0.6	—
Capital Fund	198.3	208.5	-0.3	—
Recovery Fund	144.2	152.0	—	—

Growth & Sec. Life Ass. Soc. Ltd.

OFFSHORE AND OVERSEAS

NOTES

COMMODITIES AND AGRICULTURE

Reduction in Dutch potato crop forecast

By John Edwards

THE DUTCH potato crop is going to be down this year, but not by as much as originally feared, according to estimates issued yesterday in The Hague by the Commodity Board for Potatoes.

It estimated the final 1983 crop at 3.48m tonnes compared with 4.15m in 1982 and a September forecast of 3.34m. However, prices rose on the futures market in Amsterdam and London since the crop estimate was not as high as expected by some traders.

Much the same pattern appears to be emerging with the UK potato crop. The recent spell of good weather has improved yields and helped harvesting, although there are still doubts about the keeping quality of the crop.

However, the main crop may be down by only 1m tonnes, against earlier market estimates of 2m tonnes. This could well be made up by increased imports and reduced consumption resulting in a near balance between supplies and demand.

The annual report of the London Potato Futures Association said the market achieved a record volume of 147,873 lots (of 40 tonnes each) in the year to June 30, 1983.

Mr C. J. Harrisson, chairman of the association, said yesterday that turnover in the last four months had totalled 105,632 lots in only 86 working days.

He said the delivery guarantee price of £43.94 a ton, frozen by the Government for the past six years, meant that futures had become essential in this highly volatile market.

Congress rejects dairy cut plan

BY NANCY DUNNE IN WASHINGTON

THE U.S. House of Representatives has rejected a Reagan Administration plan to cut dairy support prices by 11 per cent. Instead, it approved a Bill which, for the first time, will pay farmers not to produce milk.

The legislation, similar to a Bill passed in the Senate, could well face a Presidential veto.

With costs of the current support programme nearing $3bn a year, and Government warehouses bulging with surplus dairy products bought to support prices, Mr John Block, the Agriculture Secretary, tried to convince Congress to cut by $1.50 the current support price of $13.10 per hundred lbs.

He was out-lobbied, however, by dairy farmers. The House did agree to a 50c reduction in the support level next year and to further 50c reductions in 1985 and 1986 if Government purchases of surpluses fall.

The legislation authorises $10 payments for each 100 lbs cut in production, a provision opposed by the Administration because it is expected to cost $2.1bn in the next three years.

Dairy farmers have been complaining about a Department of Agriculture levy of $1 per cwt imposed in September to help pay for the storage of their surplus commodities. But the assessment did not stop them increasing production last year. The legislation reduces the cost of the assessment to 50 cents per cwt.

The legislation has been opposed by livestock producers who feared that paying farmers for not producing would lead to widescale slaughter of elder dairy cows. However, an amendment authorises the Agriculture Secretary to slow the slaughter if livestock prices fall too quickly.

Soyameal sales suspended

RIO DE JANEIRO — Brazil has suspended all further export registrations of current crop soyabeanmeal the foreign trade department of the Banco do Brasil (Cacex) announced yesterday reports Reuter.

Cacex has allowed around 200,000 tonnes of soyabean meal to be registered for export over the past few weeks, an official said.

This was after a decision in mid-September to halt all further soyabean and product export registrations for the crop harvested this year.

But a subsequent review of the internal supply situation showed further registrations of around 200,000 tonnes could be made.

The official said exports from the current crop are estimated at around 7.5m tonnes. New crop supplies will not become available for export until March.

Latest figures produced by the private quality control company, SGS do Brasil, put meal shipments in the current marketing year, which ends on January 31, at 6.71m tonnes up to November 6. Total exports last year are estimated at 7.8m tonnes.

Cacex said the decision to suspend any further export registrations was taken to ensure that internal demand is met.

There was concern at the time of the original sales suspension that the pace of external sales was threatening to leave the domestic market short.

Yesterday's Cacex announcement had little impact on the London soyabean meal futures market when the February position finished £1.85 down at £194.40 a tonne.

Eggs to cost extra 3p-5p

By Our Commodities Staff

WHOLESALE EGG prices are to increase by 3-5p a dozen. Grades one and two—the premium grades—will go up by 3p, grades three, five, six and seven will increase by 4p and grade four by 5p. Retail prices will be 1p more than the wholesale increase.

The higher prices reflect increased seasonal demand, which is usual in the build-up to the Christmas period, the reduction in laying because of recent culling of older birds, and a reduction in the number of Dutch eggs on the market. Demand is expected to stay steady or possibly higher until Christmas.

● THE NATIONAL Seed Development Organisation, which markets crop seeds developed by the Plant Breeding Institute and other state-owned organisations, made a profit of £1.9m in the year to June, 4 per cent less than the record 1981-82 profit.

● THE FRENCH Federation of Cereal Co-operatives said it expects the EEC to attempt to halve the costs of wheat intervention stocks in the 1983-84 campaign.

● MEXICO is expecting a record corn crop in 1983, possibly more than 13.5m tonnes.

● ARGENTINA'S wheat crop is now forecast at 12.5m tonnes, up from earlier forecasts but still below the 14.5m tonnes of the previous season.

● AUSTRALIA'S Wool Council has voted to redirect up to one percentage point of a 5 per cent levy, used for the Australian Wool Corp market support fund, to extra wool promotion funding.

● THAILAND expects to export 3.4m tonnes of rice, 5.9m tonnes of tapioca products and 2.65 tonnes of maize in 1984.

● TRADITIONAL English cheeses and English wines are to be raced by taxi to Strasbourg, in an effort to persuade the European Parliament restaurants to serve English wines and cheeses.

All the advantages of mellow fruitfulness

COMPARED WITH last year, this autumn's farming has been a pleasure. Instead of constant rain and mud there have been long dry periods giving an almost perfect tilth, very easy to work into a seed bed. But in spite of the dry weather, on my farm in any case, there is any amount of moisture to sprout the seed and give it a good start.

The soil was exceptionally warm too. Winter barley sown in the last week of September was showing green in the drills within a week. Many farmers started even earlier sowing not only barley but wheat so that by October their farms were a spectacular emerald green and they were wondering what to do next. They didn't have to wonder long.

With every post the chemical interests bombard us with horror stories of aphid attacks, of lurking weeds only germinating now, of how the modern farmer should limber up the sprayer and keep pouring on the remedies which individually cost so little an acre—or so they say—but in aggregate cost so much.

Some farmers began too soon, and there are reports of damaged crops due to premature application of this and that, because the newly emerged leaves were not strong enough to withstand the material. I was not of their number as I like to see what is attacking me before I choose the weapon.

This easy sowing was partly founded on excellent burns, which meant that the soil was free of straw and other residues when cultivated. These can be an infernal nuisance, particularly in a wet season, and they tend to block the tines of the drills and harrows. They are also believed to carry the spores of diseases.

The spread of autumn sowing will obviously reduce the area of spring-sown malting barleys still further, the autumn-sown varieties yield much better but are little use to the maltsters, who will pay a premium only when they really have to. They had to this year, but will make no promises for next time, and those of us who got the higher premium found it hardly compensated for the lower yields as compared with autumn-sown barley or wheat.

At one time there were penalties on farmers who grew wheat too often, usually more than once in four years in a set rotation. These were exacted by landlords, but diseases also used to strike the rash farmer who disregarded the rules of good husbandry. I suffered from this myself in the distant past.

Farmer's viewpoint: By John Cherrington

But now, thanks to modern varieties, and chemicals and fertilisers, it is possible to disregard the conventional rotations without too much peril. I was very loathe to do this and still suffer a twinge of conscience when I plan to follow wheat by wheat by wheat. But when I see my neighbours getting away with it why should not I?

Sowing next year's crop has been easy but marketing the contents of my barns has not been so. I deliver much of my grain in November, and had I sold feed wheat for November delivery on September 1 I could have got £127 per tonne. The spot price now is £120 and still falling. Barley has not shown quite the same fall. This price is still better than selling into intervention but it's disappointing. I got nearer the spot price.

Part of the trouble is the virtual drying up of the export market for wheat. We in the south imagined we would be sitting pretty after the opening of a second export silo in Southampton with buyers chasing each and every one of us for supplies. It hasn't worked out like that.

So far this season, British wheat exports are less than a third of those of last year and demand for export wheat appears as dead as the dodo. Demand for barley is somewhat better but exports are well down, too.

If the Ministry of Agriculture estimate of a record wheat crop is correct there could be difficulties in moving the whole crop, but I am told there is no real pressure to sell from farmers and I wonder, in fact, if the harvest was as good as claimed. It also appears that UK wheat lacks the quality of French.

However, I'm not worrying. The only question in my mind is whether to plant another field of wheat while this good weather lasts and leave the worries about the export trade and the future to be dealt with as they arise. Like all farmers, I plant first and think about the consequences when they hit me in the face.

U.S. delays titanium sponge purchase

BY NANCY DUNNE IN WASHINGTON

THE U.S. Government has agreed to a 20-day delay in its purchase of titanium sponge from British and Japanese suppliers for the strategic materials stockpile.

The promise of delay and a hearing came after RMI of Ohio, an unsuccessful bidder for the $20m Government contract, filed suit in Washington, complaining that the bid should go to domestic suppliers.

RMI said it is also considering filing a complaint with the International Trade Commission about dumping by foreign suppliers.

The General Services Administration, which oversees the strategic stockpile, asked for bids for the titanium sponge contracts in late August and on October 28 announced that contracts would be awarded to Billiton (UK), Phillip Brothers, representing Japanese producers, and Timet of Pittsburgh.

Foreign producers were awarded about 80 per cent of the 9m lb contract, despite one of the provisions of the Strategic Critical Material Stockpile Act which calls on the GSA "to develop domestic sources of supply where possible."

In its court complaint, RMI said that the GSA award had been prematurely issued "without a rational basis and contrary to regulations." It said that the Government had predicated its award on incorrect calculations of import duties, "without due regard for the lack of qualification for military applications, and without proper consideration for the impact on the U.S. titanium market."

22% rise in woodland area

By Our Commodities Staff

THE AREA of woodland in England and Wales has risen 22 per cent since the war, according to Forestry Commission figures published yesterday.

The increase, to 1.12m hectares, is mostly due to the expansion of coniferous forestry but there has been no reduction in the broadleaved woodland total area.

Oak remains the major species, despite loss of 60,000 hectares in the past 30 years.

PRICE CHANGES

In tonnes unless stated otherwise	Nov. 10 1983	+ or —	Month ago
Metals			
Aluminium	£1050	......	£1050
Free Mkt	$1480/1510	......	$1500/530
Copper			
Cash h grade	£918.5	......	£968.5
3 mths	£941.75	......	£992.25
Cash Cathode	£901	−12.5	£943
3 months	£924.5	−1	£967.5
Gold troy oz	$382.525	−0.75	$390.25
Lead Cash	£270.625	+3.375	£275
3 months	£280.25	+3	£283.875
Nickel	£4646.34	......	£4646.34
Free mkt	205/225c	......	212/232c
Palladium oz	$145.25	−4.25	$151.50
Platinum oz	$353.65	−1.30	£366.10
Quicksilver†	$310/320	......	$320/330
Silver troy oz	606.95p	+4.00	681.40p
3 mths	612.90p	+4.10	696.70p
Tin cash	£8659.5	+46	£8626
3 month	£8737.5	+39	£8609
Tungsten	$76.28	......	$77.32
Wolfr'm 22.04 lb	$71/75	−1	$79/83
Zinc Cash	£578	+6.75	£560.5
3 mths	£591.75	+7.5	£575.25
Producers	$895	......	$880

	Nov. 10 1983	+ or —	Month ago
Oils			
Coconut (Phil)	$910y	......	$870
Groundnut	‡	......	‡
Linseed Crude	‡	......	‡
Palm Malayan	$662.5v	+9.5	$678
Seeds			
Copra Phil	$690x	+10	$576
Soyabean (U.S.)	$342.5	+1.25	$337.25
Grains			
Barley Fut. Jan	£198.20	+0.70	£119.85
Maize	£146.00	......	£144.00
Wheat Fut. Jan	£123.15	+0.45	£188.40
No 2 Hard Wint	‡	......	‡
Other commodities			
Cocoa ship't*	£1582	−11	£1512
Fut. March	£1536	−2.5	£1458
Coffee Ft. Jan	£1843.5	−4	£1886.5
Cotton A. Index	83.15c	......	87.25c
Gas Oil. Dec	$253.75	−3.5	$251.75
Rubber (kilo)	73.25p	+0.5	78p
Sugar (Raw)	*£140y*	−3	*£157*
Wooltp's 64s.	408p kilo	+1	400p kilo

‡ Unquoted. u Dec. v Jan. x Dec-Jan. y Nov-Dec. † Per 76 lb flask. * Ghana cocoa. n Nominal. c Cents per pound.

LONDON OIL SPOT PRICES

	Latest	Change + or —
CRUDE OIL—FOB ($ per barrel)		
Arabian Light	28.38-28.40	−0.05
Iranian Light	27.95-28.00	—
Arabian Heavy	26.30-26.46	−0.05
North Sea (Forties)	29.05-29.35	−0.07
North Sea (Brent)	29.15-29.35	−0.07
African Bonny Li'nt	28.60-29.70	−0.10
PRODUCTS—North West Europe CIF ($ per tonne)		
Premium gasoline	287-303	—
Gas oil	254-260	—
Heavy fuel oil	170-174	—

GAS OIL FUTURES

The market opened about $1.00-1.50 lower, at the highs of the day, and traded quietly before heavy selling from the U.S. pushed prices quickly to the lows. In the afternoon the market rallied by about $1.00 and stayed at these levels thereafter, reports Premier Man.

Month	Yest'day's close	+ or —	Business Done
	$ U.S. per tonne		
Nov	249.75	−4.00	251.50-48.75
Dec	255.75	−3.50	256.00-53.25
Jan	254.00	−3.50	255.75-53.25
Feb	253.75	−3.75	254.50-52.75
Mar	249.00	−3.50	250.25-47.50
April	244.75	−2.25	245.50-44.75
May	241.50	−2.50	—
June	242.00	−0.00	—
July	240.58	−0.50	—

Turnover: 2,772 (2,212) lots of 100 tonnes.

GOLD MARKETS

Gold lost $¾ an ounce from Wednesday's close in the London bullion market yesterday to finish at $382¼-383. The metal opened at $382¼-383 and traded between a high of $382¾-383¼ and a low of $381¾-382. Trading was extremely quiet and featureless ahead of the long weekend in the U.S.

In Frankfurt the 12½ kilo bar was fixed at DM 32,810 per kilo ($383.48 per ounce) against DM 32,830 ($381.48) and closed at $381¾-382 from $383-383¼.

In Luxembourg the dollar per ounce equivalent of the 12½ kilo bar was $382.0 from $379.9.

In Zurich gold closed at $381-384 from $382-385.

In Paris the 12½ kilo bar was fixed at FFr 100,000 per kilo ($383.99 per ounce) in the morning compared with FFr 99,900 ($381.86) on Wednesday afternoon.

LONDON FUTURES

Month	Yest'rday's close	+ or —	Business Done
	$ per troy ounce		
Nov	382.80-83.5	−1.250	—
Dec	384.00-84.1	−1.150	385.00-83.1
Feb	390.80-90.2	−1.100	—
April	396.30-96.9	−1.000	—
June	402.30-03.9	−0.900	—
Aug	409.50-09.5	−0.450	—

Turnover: 373 (635) lots of 100 troy ounces.

Gold Bullion (fine ounce)

	Nov. 10		Nov. 9	
Close	$382¼-383	(£256¼-258¾)	$383-383¼	(£258-258½)
Opening	$382¼-383	(£257¼-257¾)	$378½-379¼	(£255½-256)
Morning fixing	$383	(£256.945)	$380.50	(£256.578)
After noon fixing	$381.80	(£256.586)	$383	(£257.739)

Gold and Platinum Coins Nov. 10

Krugrnd	$394¼-395	(£264½-266)	King Sov	$93-94½	(£62½-63½)
½ Krg	$203¼-204	(£135½-135¾)	Victoria Sov	$93-94½	(£62½-63½)
¼ Krg	$103½-104¼	(£69½-70)	French 20s	$73¾-75½	(£49¼-50½)
1/10 Krug	$42¼-43	(£28¼-28¾)	50 pesos Mex	$463-465	(£310¾-318)
Mapleleaf	$394-394½	(£264¼-264¾)	100 Cor. Aust	$372-378	(£249½-253¼)
New Sov	$90-90¾	(£60¼-60¾)	$20 Eagles	$535-545	(£359-365½)
½ New Sov	$54-54¾	(£36¼-36¾)	Noble (Plat)	$398-402¼	(£267-270)

EUROPEAN MARKETS

PARIS, November 10

Cocoa—(FFr per 100 kg): Dec 1830-1835, March 1865-1866, May 1909-1916, July 1930 bid, Sept 1950 bid, Dec 1975 bid, March 1988 bid.

Sugar (FFr per tonne): Dec 1935-1945, March 2080-2099, May 2156-2170, Aug 2245-2258, Oct 2330-2335, Dec 2365-2380.

ROTTERDAM, Nov 10.

Wheat—(U.S. $ per tonne): U.S. Red Winter Nov 20/Dec 10 160, Dec 161, Jan 163, Feb 164.50, March 165.50. U.S. No. 2 Northern Spring, 14 per cent protein, Nov 186, Dec 188, Jan 194, Feb 195, March 195, April/May 191.50. U.S. No. 3 Amber Durum, Nov 206, Nov 20/Dec 20 207, Nov/Dec 207, Dec 208 April/May 209. Canadian Western Spring Nov 15/Dec 15 216, April/May 220.

Maize—(U.S. $ per tonne): U.S. No. 3 Yellow afloat 163.50, Nov 163.50, Dec 164, Jan/March 165, April/June 165.50 sellers. Argentine Plate afloat 173.50, mid-Nov/mid-Dec 178 sellers.

Soyabeans—(U.S. $ per tonne): U.S. No. 2 Yellow Gulfports Nov 336.50, Dec 228.75, Jan 343, Feb 346.50, March 350, April 353, May 353.75, Oct 271.75, Nov 272, Dec 275.75, Jan 280 sellers. Argentine afloat 332.50 sellers.

Soyameal—(U.S. $ per tonne): 44 per cent, afloat 270, Nov 272, Dec 275, Jan 280, Jan/March 284, April/Sept 277, Nov/March 235 sellers. Pellets Brazil afloat 288, Nov 234, Dec 299, Jan 305, Jan/March 282, May/Oct 280, Oct/Dec 253 sellers. Pellets Argentine afloat 273, Nov 284, Dec 291, Jan 295, Jan/March 298 sellers.

BRITISH COMMODITY PRICES

BASE METALS

TIN VALUES continued to move ahead on the London Metal Exchange: a rise on the Penang market coupled with chartist buying and renewed support buying by the buffer stock manager boosted forward standard metal to £8,740 before a close of £8,735. Zinc *also gained ground, touching* £594 prior to closing the late Kerb at £593.75 as heavy speculative preceded the result of the latest U.S. mint tender. Copper edged higher in the morning but fell away on news that Asarco have lowered their producer price to 65 cents. Japanese buying interest in initial trading lifted aluminium to £1,040, but profit-taking and a rise in sterling pared the price to £1,028.5 by the close.

COPPER

Amalgamated Metal Trading reported that in the morning cash higher grade traded at £920.5, 921; three months £946, 45, 45.5, 44, 43.5, 43, 43.5, 44. Cathodes: Cash £903; three months £928, 28.5, 28. Kerb: Higher Grade: Three months £945, 45.5, 46. Afternoon: Higher Grade: Three months £944, 45, 44, 43.5, 43, 43.5, 42, 42.5, 42, 41.5. Cathodes: Three months £925. Kerb: Higher Grade: Three months £942, 41.5, 41, 40.5. Turnover: 33,625 tonnes.

COPPER	a.m. Official	+ or —	p.m. Unofficial	+ or —†
High Grde	£	£	£	£
Cash	920.5-1	+11.2	918-9	......
3 months	943.5-4	+3.5	941.5-2	......
Settlem't	921	+11	—	—
Cathodes				
Cash	903.5-4	+10.7	900.5-1.5	−1.25
3 months	[illegible]			
Settlem't	[illegible]			
U.S. pro'd	[illegible]			

NICKEL

Nickel—Morning: Cash £3,085; three months £3,147, 45, 40, 35. Kerb: Three months £3,138, 40. Afternoon: Three months £3,135, 32, 30, 31, 32, 30, 32. Kerb: Three months £3,130. Turnover: 1,272 tonnes.

NICKEL	a.m. Official	+ or —	p.m. Unofficial	+ or —†
Spot	3085-6	+11.5	3050-5	−17.5
3 months	3136-8	+10	3130-2	−10

* Cents per pound. ‡ M$ per kilo. † On the previous unofficial close.

SILVER

Silver was fixed 4p an ounce higher for spot delivery in the London bullion market yesterday at 606.95p. U.S. cent equivalents of the fixing levels were: spot 901c, up 6.5c; three-month 921.7c, up 6.7c; six-month 943.7c, up 6.5c; and 12-month 988.9c, up 5.6c. The metal opened at 603-605½p (896-900c) and closed at 603-605½p (899-903c).

LME Silver (2,000 oz contract) — Three months: 617.0p (626.5p). Turnover 1 (8) lots.

SILVER per troy oz.	Bullion fixing price	+ or —	L.M.E. p.m. Unoff'ic'l	+ or —
Spot	606.95p	+4.00	608	−8.5
3 months	612.90p	+4.10	616.5p	−8
6 months	633.45p	+4.00	—	......
12 months	651.50p	+3.65	—	......

Turnover 201 (119) lots of 10,000 oz. Morning: Large contract three months 619.5, 20.0, 20.5. Kerb: large three months 622.0, 22.5, 22.0. Afternoon: [illegible]

TIN

[illegible]

LEAD

[illegible]

ZINC

[illegible]

ALUMINIUM

[illegible]

COCOA

[illegible]

COFFEE

[illegible]

GRAINS

[illegible]

WOOL FUTURES

[illegible]

POTATOES

[illegible]

RUBBER

[illegible]

SOYABEAN MEAL

[illegible]

SUGAR

[illegible]

COTTON

[illegible]

MEAT/FISH

[illegible]

INDICES

FINANCIAL TIMES

REUTERS

MOODY'S

DOW JONES

[illegible]

AMERICAN MARKETS

NEW YORK, November 10

Copper came under pressure along with the general liquidation in the precious metals and with indications of further build up in industry stocks. Heating oil prices declined sharply as wholesalers were actively competing to dispose of their inventories as long as weather forecasts indicate only occasional outbreaks of cold weather. *Sugar prices rallied on a slightly lower* estimate of world availability than the trade expected, the support came from commercial interests and technical buying. Cocoa prices were moderately lower on profit-taking as private reports expressed scepticism about the incidence of pod rot in West Africa. Coffee prices rallied again sharply on spot tightness ahead of the deliveries on the December position: the market received major support from the withdrawal of producer countries from any immediate offerings. Cotton prices rallied impressively on speculative buying ahead of the Government crop report and on trade buying related to previously unknown Brazilian import intentions. Precious metals came under slight selling pressure as a result of *being unable to break out of their* present trading range. Soyabeans were slightly lower on some evening-up ahead of the Government crop report. Bullish expectations for maize in the report helped maize finish slightly higher. Wheat was inactive and finished unchanged to fractionally lower, reports Heinold Commodities Ltd.

NEW YORK

COCOA 10 tonnes, $/tonnes

	Latest	High	Low	Prev
Dec	2126	2148	2107	2137
March	2143	2160	2123	2148
May	2150	2173	2145	2165
July	2175	2188	2160	2181
Sept	2190	2190	2180	2190
Dec	2220	—	—	2210
March	2240	—	—	2225

COFFEE "C" 37,000 lbs, cents/lb

	Close	High	Low	Prev
Dec	148.57	49.25	45.63	147.17
March	149.90	44.40	42.55	143.00
May	138.39	38.80	38.25	136.45
July	136.48	36.60	35.75	135.75
Sept	133.70	33.60	33.50	133.55

SUGAR WORLD "11" 112,000 lbs, cents/lb

	Close	High	Low	Prev
Jan	9.50	9.55	9.15	9.36
March	9.98	10.08	9.66	9.76
May	10.27	10.35	9.95	9.96
July	10.56	10.65	10.28	10.22
Sept	10.80	10.83	10.48	10.45
Oct	10.98	11.03	10.72	10.63
Jan	11.28	10.94	10.94	10.90
March	11.81	11.71	11.71	11.56

CHICAGO

LIVE CATTLE 40,000 lb, cents/lb

	Close	High	Low	Prev
Dec	61.22	61.27	60.30	61.02
Feb	60.67	60.70	60.20	60.97

[illegible]

CURRENCIES, MONEY and CAPITAL MARKETS

FOREIGN EXCHANGES

Dollar surge runs out of steam

The dollar lost ground yesterday with trading subdued ahead of today's closure of many U.S. centres and also parts of Europe. Underlying factors failed to provide any fresh stimulus although there was still concern about the Middle East situation. Current success of U.S. Treasury note auctions has pushed U.S. interest rates down a little while a smaller than expected rise in the U.S. wholesale price index increased the scope for the authorities to adopt a slightly more relaxed stance with regard to credit policies and interest rates.

Sterling recovered from a weaker start to finish unchanged on the day.

DOLLAR—Trade weighted index (Bank of England) 127.5 against 121.4 six months ago. The dollar has been appreciating steadily in recent weeks and is once again at or threatening the record levels touched in August. Growing tension around the world is supporting the currency but an equal factor is speculation that bunching of Treasury auctions and an expected surge in the money supply will combine with inflationary pressures from strong economic recovery to prevent an easing in Federal Reserve monetary policy.

The dollar closed at DM 2.6590 from DM 2.67 against the D-mark and SwFr 2.1530 from SwFr 2.17. Against the yen it fell to Y234.50 from £235.55 and FFr 8.0925 from FFr 8.13.

STERLING — Trading range against the dollar in 1983 is 1.6235 to 1.4540. October average 1.4977. Trade weighted index 83.9 against 83.8 at noon and 83.7 in the morning and compared with 83.9 on Wednesday and 83.9 six months ago. The pound has drifted slightly against the dollar but has tended to move up with the dollar against Continentals. This trend has been encouraged by unsettled conditions in the Middle East and the threat to Western oil supplies plus fading hopes of further cuts in clearing bank base rates.

Sterling traded between $1.4840 and $1.4940 against the dollar, picking up from a very quiet morning, on demand in the U.S. It finished at $1.4900-1.4910 a rise of 55 points. It eased slightly against the D-mark to DM 3.9650 from DM 3.9675 and SwFr 3.2125 from SwFr 3.2250. It was also slightly down against the French franc at FFr 12.06 from FFr 12.07 and Y349.75 compared with Y350.0.

D-MARK — Trading range against the dollar in 1983 is 2.7315 to 2.3320. October average 2.6023. Trade weighted index 126.6 against 129.7 six months ago. The D-mark is losing ground to the dollar once again and could threaten the 10-year low touched in August. Although German interest rates are relatively firm, partly reflecting concern about money supply growth expectations that U.S. rates will remain high, coupled with concern about tension in the Middle East, have returned the dollar to favour.

The dollar was weaker at yesterday's fixing in Frankfurt, falling to DM 2.6630 from DM 2.6747. The Bundesbank sold $29.3m at the fixing. Trading was rather quiet ahead of the long weekend in the U.S. and parts of Europe. Sterling fell to DM 3.9570 from DM 3.9660 while the Belgian franc slipped to DM 4.92 per BFr 100 from DM 4.9230. The French franc was also lower at DM 32.86 per FFr 100 from DM 32.875.

JAPANESE YEN — Trading range against the dollar in 1983 is 246.90 to 226.80. October average 232.84. Trade weighted index 153.2 against 149.9 six months ago. The yen is a little higher than the weakest levels touched against the dollar during the summer and has gained ground against European currencies, rising to record levels against the D-mark, despite the recent cut in the Bank of Japan discount rate. It has been underpinned by the stated determination of the authorities to defend the yen.

Measures designed to strengthen the yen were announced after the close of business in Tokyo yesterday. These were broadly in line with market expectations however with little immediate effect on exchange rates anticipated. The dollar closed at Y234.75 down from Y235.10 at the opening and Y236.7 on Wednesday.

EMS EUROPEAN CURRENCY UNIT RATES

	ECU central rates	Currency amounts against ECU November 10	% change from central rate	% change adjusted for divergence	Divergence limit %
Belgian Franc ...	44.9008	45.9037	+2.43	+1.78	±1.5447
Danish Krone ...	8.14104	8.15453	+0.17	−0.48	±1.6425
German D-Mark	2.24184	2.26215	+0.91	+0.26	±1.0842
French Franc ...	6.87456	6.88547	+0.10	−0.49	±1.4052
Dutch Guilder ...	2.52595	2.53322	+0.29	−0.36	±1.4964
Irish Punt	0.72569	0.727071	+0.10	−0.46	±1.6698
Italian Lira	1403.49	1371.49	−2.28	−2.28	±4.1505

Changes are for ECU, therefore positive change denotes a weak currency. Adjustment calculated by Financial Times.

OTHER CURRENCIES

Nov. 10	£	$		Note Rates
Argentina Peso...	25.08-25.15	16.82-16.85	Austria	27.70-28.00
Australia Dollar...	1.6585-1.6605	1.0900-1.0910	Belgium	80.60-81.60
Brazil Cruzeiro...	1,260.5-1,275.3	853-856	Denmark	14.20-14.34
Finland Markka...	8.4965-8.5070	5.7100-5.7100	France	11.99-12.11
Greek Drachma...	141.10-141.75	95.00-95.30	Germany	3.93¼-3.97¼
Hong Kong Dollar	11.64¼-11.66¼	7.8150-7.8200	Italy	2380-2410
Iran Rial	126.55*	87.50*	Japan	345-355
KuwaitDinar(KD)	0.434-0.435	0.2917-0.2918	Netherlands	4.41-4.45
Luxembourg Fr.	80.55-80.65	54.07-54.09	Norway	10.97-11.07
Malaysia Dollar...	3.49-3.50	2.3440-2.3460	Portugal	191-207
New Zealand Dlr.	2.2505-2.2555	1.5120-1.5140	Spain	231½-235
Saudi Arab. Riyal	5.1850-5.1905	3.4900-3.4910	Sweden	11.66-11.76
Singapore Dollar	3.1785-3.1850	2.1325-2.1340	Switzerland	3.19¾-3.22¼
Sth.African Rand	1.7485-1.7440	1.1690-1.1700	United States	1.47¾-1.49¾
U.A.E. Dirham	5.4710-5.4765	3.6720-3.6730	Yugoslavia	194-217

* Selling rate.

CURRENCY RATES

Nov. 10	Bank rate %	Special Drawing Rights	European Currency Unit
Sterling	—	0.709665	0.571898
U.S. $	8½	1.05442	0.849919
Canadian $	9.53	[illegible]	1.04882
Austria Sch.	3¾	19.7655	15.9015
Belgian F.	10	57.1137	45.9037
Danish Kr.	7	10.1309	8.15453
D mark	4	2.80782	2.26215
Guilder	5	3.14559	2.53322
French Fr.	9½	N/A	6.88547
Lira	17	1702.89	1371.49
Yen	5	248.355	199.841
Norwgn Kr.	8	7.93013	6.39715
Spanish Pta.	—	162.832	130.676
Swedish Kr.	8½	8.35561	6.69148
Swiss Fr.	4	2.27860	1.83918
Greek Dr'ch	20½	100.650	81.1684

*CS/SDR rate for Nov 9: 1.30031.

CURRENCY MOVEMENTS

Nov. 10	Bank of England Index	Morgan Guaranty Changes%
Sterling	83.9	−6.9
U.S. dollar	127.5	+15.9
Canadian dollar	92.2	+1.0
Austrian schilling	116.3	+6.2
Belgian franc	90.5	−11.5
Danish kroner	79.7	−5.5
Deutsche mark	126.0	+7.4
Swiss franc	150.8	+12.8
Guilder	115.7	+4.7
French franc	67.1	−14.8
Lira	49.5	−11.7
Yen	153.2	+10.7

Morgan Guaranty changes: average 1980-1982=100. Bank of England Index (base average 1975=100).

THE POUND SPOT AND FORWARD

Nov 10	Day's spread	Close	One month	% p.a.	Three months	% p.a.
U.S.	1.4840-1.4940	1.4900-1.4910	0.04-0.09c dis	−0.52	0.23-0.28dis	−0.68
Canada	1.8325-1.8425	1.8390-1.8400	par-0.10c dis	−0.33	[illegible]	[illegible]
Nethlnd.	4.42-4.46	4.43¼-4.44¼	1¾-1¼c pm	2.04	[illegible]	2.33
Belgium	80.30-80.80	80.55-80.65	7c pm-3 dis	0.30	[illegible]	[illegible]
Denmark	14.24-14.31	14.29¼-14.29¾	1.05-2.30ore dis	−1.41	[illegible]	[illegible]
Ireland	1.2660-1.2770	1.2730-1.2740	0.26-0.36p dis	−2.93	[illegible]	[illegible]
W. Ger.	3.94½-3.97¼	3.96-3.97	1½-1pf pm	3.40	[illegible]	[illegible]
Portugal	185.00-189.50	188.75-189.25	105-365c dis	−15.1	[illegible]	[illegible]
Spain	225.50-229.50	229.15-229.35	230-280c dis	−13.4	[illegible]	[illegible]
Italy	2,398-2,404	2,401-2,403	14-16lire dis	−7.48	[illegible]	[illegible]
Norway	11.01-11.06	11.04¼-11.05¼	3.25-4.15ore dis	−3.99	[illegible]	[illegible]
France	12.02-12.08	12.05½-12.06½	3-4c dis	−3.48	[illegible]	[illegible]
Sweden	11.69½-11.75	11.73-11.74	[illegible]	[illegible]	[illegible]	[illegible]
Japan	348-351	349¼-350¼	0.90-0.80y pm	2.92	[illegible]	[illegible]
Austria	27.77-27.97	27.88-27.93	7¾-6¾gro pm	3.09	[illegible]	[illegible]
Switz.	3.20-3.23	3.20¼-3.21¼	1¾-1½c pm	5.12	[illegible]	[illegible]

Belgian rate is for convertible franc. Financial franc 81.30-81.40. Six-month forward dollar 0.48-0.53c dis. 12-month 1.00-1.10c dis.

THE DOLLAR SPOT AND FORWARD

Nov 10	Day's spread	Close	One month	% p.a.	Three months	% p.a.
UK†	1.4840-1.4940	1.4900-1.4910	0.04-0.09c dis	−0.52	0.23-0.28dis	−0.68
Ireland†	1.1675-1.1720	1.1700-1.1710	0.27-0.22c pm	2.51	[illegible]	[illegible]
Canada	1.2345-1.2350	1.2345-1.2350	0.04-0.02c pm	0.29	[illegible]	[illegible]
Nethlnd.	2.9765-2.9835	2.9765-2.9785	0.92-0.82c pm	3.50	[illegible]	[illegible]
Belgium	54.03-54.20	54.07-54.09	4-3c pm	0.83	[illegible]	[illegible]
Denmark	9.5840-9.6070	9.5840-9.5890	0.45-0.95ore dis	−0.87	[illegible]	[illegible]
W. Ger.	2.6540-2.6665	2.6585-2.6595	0.88-0.83pf pm	3.86	[illegible]	[illegible]
Portugal	124.50-127.00	126.60-126.90	100-240c dis	−16.08	[illegible]	[illegible]
Spain	153.75-153.95	153.80-153.85	155-175c dis	−12.86	[illegible]	[illegible]
Italy	1,611-1,616	1,611½-1,612½	8¼-10lire dis	−7.00	[illegible]	[illegible]
Norway	7.4135-7.4275	7.4135-7.4165	2.00-2.30ore dis	−3.48	[illegible]	[illegible]
France	8.0875-8.1175	8.0900-8.0950	1.90-2.20c dis	−2.93	[illegible]	[illegible]
Sweden	7.8720-7.8800	7.8760-7.8780	1.40-1.60ore dis	−2.28	[illegible]	[illegible]
Japan	234.25-235.25	234.45-234.55	0.67-0.62y pm	3.30	[illegible]	[illegible]
Austria	18.70-18.78½	18.71-18.72	5.85-5.30gro pm	3.59	[illegible]	[illegible]
Switz.	2.1520-2.1650	2.1525-2.1535	1.13-1.08c pm	6.15	[illegible]	[illegible]

† UK and Ireland are quoted in U.S. currency. Forward premiums and discounts apply to the U.S. dollar and not to the individual currency. Belgian rate is for convertible franc. Financial franc 54.55-54.60.

EXCHANGE CROSS RATES

Nov. 10	Pound St'rling	U.S. Dollar	Deutschem'k	JapaneseYen	FrenchFranc	Swiss Franc	Dutch Guild	Italian Lira	Canada Dollar	Belgian Franc
Pound Sterling	1.	1.491	3.965	349.8	12.06	3.215	4.440	2402.	1.840	80.60
U.S. Dollar	0.671	1.	2.660	234.7	8.091	2.155	2.979	1612.	1.234	54.08
Deutschemark	0.252	0.378	1.	88.31	3.042	0.810	1.120	605.8	0.464	20.33
Japanese Yen 1,000	2.859	4.262	11.34	1000.	34.48	9.185	12.69	6866.	5.259	230.5
French Franc 10	0.829	1.236	3.288	290.0	10.	2.664	3.682	1992.	1.525	66.85
Swiss Franc	0.311	0.464	1.234	108.9	3.754	1.	1.382	747.7	0.573	25.09
Dutch Guilder	0.225	0.336	0.893	78.77	2.716	0.724	1.	541.0	0.414	18.15
Italian Lira 1,000	0.416	0.621	1.651	145.6	5.021	1.337	1.848	1000.	0.766	33.56
Canadian Dollar	0.544	0.810	2.155	190.1	0.556	1.746	2.414	1306.	1.	43.82
Belgian Franc 100	1.241	1.849	4.919	433.9	14.96	0.985	5.509	2980.	2.282	100.

FINANCIAL FUTURES

Eurodollars firm

Euro-dollar prices were a little firmer in the London International Financial Futures Exchange yesterday. The market reacted to Wednesday's successful 10 year Treasury note auction with increased optimism ahead of last night's 30 year auction. Good demand for the Government's latest refunding package pushed yields lower and bond prices reacted favourably in early U.S. trading. Euro-dollar cash rates were also easier following a smaller than expected rise in the U.S. Wholesale Price index. This was taken as a further indication that U.S. interest rates may not have to be kept as firm in order to control the rate of economic recovery. The December Euro-dollar price opened at 90.21 up from 90.18 and touched a best level of 90.25 before finishing at 90.23.

Gilt prices opened on a firmer note and then showed little movement in rather quiet trading. Just ahead of the lunchtime period however prices moved ahead, with U.S. bond prices endorsing the trend by opening much firmer. Trading was rather brisk towards the close with one leading British firm of stock jobbers buying aggressively. Sentiment may have been improved on news that the Cabinet had concluded its deliberations on UK public expenditure without any major upsets. Sterling's recovery towards the close of trading was also a contributory factor. The December price opened at 108-19 and finished at its best level of the day at 109-06 up from 108-12. Dealers also noted signs of modest interest in the March contract.

Short sterling prices were a touch firmer, benefiting from a softer cash market. The March price rose to 90.61 from 90.58, having opened at 90.59.

LONDON

THREE-MONTH EURODOLLAR
$1m points of 100%

	Close	High	Low	Prev
Dec	90.23	90.25	90.20	90.19
March	89.80	89.83	89.77	89.77
June	89.47	89.50	89.46	89.45
Sept	89.22	—	—	89.20
Dec	88.96	—	—	88.93

Volume 1,702 (2,295)
Previous day's open int. 8,484 (0,185)

THREE-MONTH STERLING DEPOSIT
£250,000 points of 100%

	Close	High	Low	Prev
Dec	90.27	90.28	90.25	90.25
March	90.61	90.61	90.59	90.58
June	90.35	90.35	90.35	90.35
Sept	90.05	90.05	90.00	89.97
Dec	89.75	—	—	89.67

Volume 1,202 (705)
Previous day's open int. 5,851 (5,802)

20-YEAR 12% NOTIONAL GILT
£50,000 32nds of 100%

	Close	High	Low	Prev
Dec	109-06	109-06	108-17	108-12
March	109-24	109-24	109-06	107-29
June	108-11	—	—	107-16
Sept	107-31	—	—	107-03
Dec	107-18	—	—	106-22

Volume 3,089 (3,678)
Previous day's open int. 2,563 (2,225)
Basis quote (clean cash price of 13¼% Treasury 2003 less equivalent price of near futures contract) 4 to 14 (32nds)

STERLING £25,000 $ per £

	Close	High	Low	Prev
Dec	1.4910	1.4910	1.4860	1.4860
March	1.4935	1.4935	1.4880	1.4885
June	1.4965	1.4965	1.4920	1.4915

Volume 460 (602)
Previous day's open int. 1,837 (1,586)

DEUTSCHE MARKS
DM 125,000 $ per DM

	Close	High	Low	Prev
Dec	0.3773	0.3774	0.3764	0.3759
March	0.3810	0.3810	0.3800	0.3795
June	0.3845	—	—	0.3828

Volume 72 (46)
Previous day's open int. 435 (472)

SWISS FRANCS
SwFr 125,000 $ per SwFr

	Close	High	Low	Prev
Dec	0.4665	0.4665	0.4662	0.4635
March	0.4733	0.4734	0.4722	0.4703
June	0.4798	—	—	0.4768

Volume 18 (8)
Previous day's open int. 120 (126)

JAPANESE YEN
Y12.5m $ per Y100

	Close	High	Low	Prev
Dec	0.4277	0.4278	0.4270	0.4256
March	0.4314	0.4314	0.4309	0.4296
June	0.4348	—	—	0.4331

Volume 55 (15)
Previous day's open int. 150 (180)

CHICAGO

U.S. TREASURY BONDS (CBT)
8% $100,000 32nds of 100%

	Latest	High	Low	Prev
Dec	70-26	70-31	70-10	70-09
March	70-09	70-13	69-24	69-23
June	69-21	69-27	69-09	69-06
Sept	69-07	69-10	68-26	68-23
Dec	68-25	68-27	68-14	68-11
March	—	68-10	68-09	68-01
June	68-07	68-07	67-29	67-24
Sept	—	—	—	67-10
Dec	—	—	—	—
March	—	—	—	—
June	—	—	—	—

U.S. TREASURY BILLS (IMM)
$1m points of 100%

	Latest	High	Low	Prev
Dec	91.08	91.10	91.02	91.01
March	90.87	90.89	90.56	90.54
June	90.38	90.37	90.25	90.25
Sept	90.07	90.11	90.07	90.01
Dec	89.88	89.88	89.79	89.71
March	89.67	89.67	—	89.57
June	89.45	89.45	—	89.35
Sept	89.25	89.25	—	89.17

CERT. DEPOSIT (IMM)
$1m points of 100%

	Latest	High	Low	Prev
Dec	90.43	90.48	90.39	90.36
March	89.94	89.94	89.85	89.84
June	89.55	89.55	89.47	89.46
Sept	89.24	89.25	89.18	89.12
Dec	—	—	—	—
March	—	—	—	—
June	—	—	—	—
Sept	—	75.50	75.50	75.85

THREE-MONTH EURODOLLAR (IMM)
$1m points of 100%

	Latest	High	Low	Prev
Dec	90.20	90.23	90.12	90.09
March	89.59	89.59	89.47	89.44
June	89.23	89.24	89.15	89.12
Sept	89.93	89.93	89.86	89.84
Dec	89.65	89.65	89.62	89.59
March	89.39	89.39	—	89.33

STERLING (IMM) Se per £

	Latest	High	Low	Prev
Dec	1.4910	1.4930	1.4865	1.4875
March	1.4940	1.4950	1.4880	1.4895
June	1.4970	1.4980	1.4940	1.4925
Sept	—	—	—	1.4965

GNMA (CBT) 8% $100,000
32nds of 100%

	Latest	High	Low	Prev
Dec	68-20	68-27	68-15	68-13
March	67-22	67-28	67-18	67-17
June	66-28	66-30	66-25	66-24
Sept	66-05	66-07	66-02	66-00
Dec	65-19	65-19	65-16	65-14
March	—	—	—	64-19
June	—	—	—	64-09
Sept	—	—	—	—
Dec	—	—	—	—

MONEY MARKETS

UK rates slightly easier

UK clearing bank base lending rate 9 per cent (since October 4 and 5)

UK interest rates were slightly easier where changed yesterday. Much attention was focussed on the overnight rate with the Bank of England giving assistance some £62m below the forecast. Overnight interbank money rose from an opening level of 9 1/16-9¼ per cent to 9-9½ per cent and peaked around 10½ per cent.

The Bank of England forecast a shortage of around £300m with factors affecting the market including maturing assistance and a take-up of Treasury bills together draining £256m and Exchequer transactions a further £60m. The Bank gave assistance in the morning of £201m, having previously revised the shortage to around £350m. The morning help comprised purchases of £10m of eligible bank bills in band 1 (up to 14 days) at 9 1/16 per cent and £86m in band 2 (15-33 days) at 9 per cent. In band 3 (34-63 days) it bought £16m of eligible bank bills at 8 15/16 per cent and in band 4 (64-91 days) £89m at 8⅞ per cent.

The Bank gave further assistance in the afternoon of £77m, comprising purchases of £32m of eligible bank bills in band 2 at 9 per cent and £45m in band 4 at 8⅞ per cent. It also provided a late round of assistance of £10m, making a grand total of £288m.

In Frankfurt call money was quoted at 5.6 per cent, much the same as levels prevailing on Wednesday. Recent injections of liquidity including repurchase agreements of DM 7.5bn and DM 4.6bn were enough to offset some DM 2.5bn drained from the market yesterday through maturing currency swap agreements. The market has been more relaxed in comparison with last week when there was a rush for funds following the necessary financial rescue of a private German bank. The more relaxed stance was reflected in a sharp reduction on the balance of loans outstanding that have been gained through the Lombard facility. This stood at DM 2.3bn on Wednesday compared with DM 6bn the day before.

LONDON MONEY RATES

Nov. 10 1983	Sterling Certificate of deposit	Interbank	Local Authority deposits	Local Auth. negotiable bonds	Finance House Deposits	Company Deposits	Discount Market Deposits	Treasury Bills ♦	Eligible Bank Bills ♦	Fine Trade Bills ♦
Overnight	—	9-10½	9-9⅛	—	—	9¼	8¾-9 1/16	—	—	—
2 days notice	—	—	8¾-9	—	—	—	—	—	—	—
7 days or	—	—	—	—	—	—	—	—	—	—
7 days notice	—	9 1/16-9 3/16	9⅛-9	—	—	9⅛	9-9⅛	—	—	—
One month	8 15/16-9 1/16	9 3/32-9 7/32	9⅛	9⅝-9⅜	9⅛	9⅛	9	9 1/16	9 1/32	9 11/32
Two months	8 15/16-9 1/32	9 1/16-9 3/16	9 1/16	9⅜-9⅛	9 3/16	9⅛	9	8 15/16	8 31/32	9 5/16
Three months	9¼-9 3/16	9⅛-9⅜	9¼	9⅜-9⅛	9 5/16	9⅛	9	8⅞-8 31/32	8 29/32	9 9/32
Six months	9¼-9 3/16	9 5/16-9 7/16	9⅜	9⅜-9	9 7/16	—	—	—	8⅞	9½
Nine months	9 7/16-9 9/16	9 7/16-9 9/16	9⅝	9¾-9⅝	9 11/16	—	—	—	—	—
One year	9 17/32-9 21/32	9⅝-9¾	9⅝	9¾-9⅝	9¾	—	—	—	—	—
Two years	—	—	10⅛	—	—	—	—	—	—	—

ECGD Fixed Rate Export Scheme IV. Average rate for interest period October 5 to November 1 1983 (inclusive) 9.393 per cent.

Local authorities and finance houses seven days notice, others seven days fixed. Long-term local authority mortgage rates nominally three years 10⅞ per cent; four years 10⅞ per cent; five years 11 per cent. ♦ Bank bill rates in table are buying rates for prime paper. Buying rates for four months' bank bills 8 29/32 per cent; four months trade bills 9 17/32 per cent.

Approximate selling rate for one-month Treasury bills 9 per cent; two months 8⅞-8 29/32 per cent and three months 8 27/32 per cent. Approximate selling rate for one-month bank bills 9 per cent; two months 9 1/32-8 31/32 per cent and three months 8⅞ per cent; trade bills one month 9 11/32 per cent; two months 9 9/32 per cent and three months 9 9/32 per cent.

Finance Houses Base Rate (published by the Finance Houses Association): 10 per cent from November 1 1983. London and Scottish Clearing Bank Rates for lending: 9 per cent. London Deposit Rates for sums at seven days' notice: 5⅝ per cent.

Treasury Bills: Average tender rates of discount 8.8322 per cent. Certificates of Tax Deposit (Series 5). Deposits of £100,000 and over held under one month 9½ per cent; one-three months 9¾ per cent; three-six months 9⅞ per cent; six-12 months 10 per cent. Under £100,000 9¼ per cent from October 6. Deposits held under Series 4-5 10 per cent. The rate for all deposits withdrawn for cash 8 per cent.

INTEREST RATES

EURO-CURRENCY INTEREST RATES (Market closing rates)

Nov. 10	Short term	7 days notice	Month	Three Months	Six Months	One Year
Sterling	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
U.S. Dollar	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Can. Dollar	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
D. Guilder	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Sw. Franc	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Deutschm'rk	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
French Fr'nc	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Italian Lira	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Belg. Franc Conv.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Fin.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Yen	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
D. Krone	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Asia $ (Sing)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

FT LONDON INTERBANK FIXING

11.00 a.m. NOVEMBER 10

3 month U.S. dollars		6 month U.S. dollars	
bid 9 3/4	offer 9 7/8	bid 9 7/8	offer 10

The fixing rates are the arithmetic means, rounded to the nearest one-sixteenth of the bid and offered rates for $10m quoted by the market to five reference banks at 11 am each working day. The banks are National Westminster Bank, Bank of Tokyo, Deutsche Bank, Banque Nationale de Paris and Morgan Guaranty Trust.

MONEY RATES

NEW YORK

Prime rate	11
Fed funds (lunch-time)	9⅜
Treasury bills (13-week)	8.74
Treasury bills (26-week)	8.83

GERMANY

Lombard	5.5
Overnight rate	5.60
One month	5.80
Three months	6.00
Six months	6.25

FRANCE

Intervention rate	12.25
Overnight rate	12.625
One month	12.4375
Three months	12.4375
Six months	12.4375

JAPAN

Discount rate	5
Call (unconditional)	6.03125
Bill discount (3-month)	6.34375

SWITZERLAND

Discount rate	4
Overnight rate	1½-2½
One month	3¼-3½
Three months	4-4¼

NETHERLANDS

Discount rate	5
Overnight rate	5⅝-5¾
One month	5⅝-5¾
Three months	5⅝-5¾
Six months	5⅝-5¾

$ CERTIFICATES OF DEPOSIT

One month	8.35-8.45
Three months	8.55-8.65
Six months	8.70-8.80
One year	10.0-10.2

LONG TERM EURO $

Two years	11⅛-11¼
Three years	11⅜-11½
Four years	11⅝-11¾
Five years	12-12⅛

SDR LINKED DEPOSITS

One month	8½-8¾
Three months	8⅝-8⅞
Six months	8¾-9
One year	9-9¼

ECU LINKED DEPOSITS

One month	8¾-9
Three months	9-9¼
Six months	9¼-9½
One year	9¼-9½

WORLD VALUE OF THE DOLLAR

Bank of America NT & SA, Economics Department, London

The Table below gives the rates of exchange for the U.S. dollar against various currencies as of Wednesday, November 9, 1983. The Exchange rates listed are middle rates between buying and selling rates as quoted between banks, unless otherwise indicated. All currencies are quoted in foreign currency units per one U.S. dollar except in certain specified areas. All rates quoted are indicative. They are not based on, and are not intended to be used as a basis for, particular transactions. Bank of America NT & SA does not undertake to trade in all listed foreign currencies, and neither Bank of America NT & SA nor the Financial Times assume responsibility for errors.

Bank of America, Economics Dept., EMEA London
Eurodollar Libor as of November 9 at 11.00 am
3 months: 10. 6 months 10⅛.

SDR1 = $US1.05236
Sibor as of November 9 at 11.00 am
3 months: 10. 6 months 10⅛.

COUNTRY	CURRENCY	VALUE OF DOLLAR
Afghanistan	Afghani (O)	50.50
Albania	Lek	8.9105
Algeria	Dinar	4.901
Andorra	Fr. Franc	8.1345
	Sp. Peseta	154.56
Angola	Kwanza	30.214
Antigua	E. Caribbean $	2.70
Argentina	New Peso (i)	15.537
Australia	Aust. Dollar	1.0915
Austria	Schilling	18.910
Azores	Port. Escudo	127.50
Bahamas	Dollar	1.00
Bahrain	Dinar	0.377
Balearic Is.	Sp. Peseta	154.56
Bangladesh	Taka	24.85
Barbados	Dollar	2.0115
Belgium	Franc (C)	54.545
	Franc (F)	54.69
Belize	Dollar	2.00
Benin	C.F.A. Franc	406.725
Bermuda	Dollar	1.00
Bhutan	Ind. Rupee	10.2167
Bolivia	Peso	196.00
Botswana	Pula	1.1358
Brazil	Cruzeiro	840.00
Brunei	Dollar	2.135
Bulgaria	Lev	0.985
Burma	Kyat	8.0852
Burundi	Franc	90.00
Cameroon Rp.	C.F.A. Franc	406.725
Canada	Dollar	1.2325
Canary Is.	Sp. Peseta	154.55
Cape Verde Is.	Escudo	72.5144
Cayman Is.	Dollar	0.830
Cen. Af. Rep.	C.F.A. Franc	406.725
Chad	C.F.A. Franc	406.725
Chile	Peso	84.64
China	Renminbi Yuan	1.989
Colombia	Peso	85.15
Comoros	C.F.A. Franc	406.725
Congo(Brazzaville)	C.F.A. Franc	406.720
Costa Rica	Colon	41.50
Cuba	Peso	0.8704
Cyprus	Pound*	1.6248
Czechoslovakia	Koruna (O)	5.45
Denmark	Krone	9.578
Djibouti Rp. of	Franc	177.72
Dominica	E. Caribbean $	2.70
Domin. Rep.	Peso	1.00
Ecuador	Sucre (O)	51.82
	Sucre (F)	83.25
Egypt	Pound*	1.4286
Eq'tl Guinea	Ekuele	309.11
Ethiopia	Birr	2.0565
Falkland Is.	Pound*	1.4902
Faroe Is.	Dan. Krone	9.578
Fiji	Dollar	1.0375
Finland	Markka	5.7155
France	Franc	8.1045
Fr. Cty in Af.	C.F.A. Franc	406.725
Fr. Guiana	Franc	8.1345
Fr. Pac. Is.	C.F.P. Franc	147.90
Gabon	C.F.A. Franc	406.725
Gambia	Dalasi	2.5972
Germany (E)	Ostmark (O)	2.6745
Germany (W)	Mark	2.6585
Ghana	Cedi	30.00
Gibraltar	Pound*	1.4883
Greece	Drachma	95.75
Greenland	Dan. Krone	9.598
Grenada	E. Caribbean $	2.70
Guadeloupe	Franc	8.1345
Guam	U.S. $	1.00
Guatemala	Quetzal	1.00
Guinea	Syli	24.3919
Guinea Bissau	Peso	93.4572
Guyana	Dollar	3.003
Haiti	Gourde	5.00
Honduras Rep.	Lempira	2.00
Hong Kong	Dollar	7.8075
Hungary	Forint	44.41
Iceland	Krona	28.0614
India	Rupee	10.2167
Indonesia	Rupiah	990.50
Iran	Rial	87.7079
Iraq	Dinar	0.3095
Irish Rep.	Punt*	1.1645
Israel	Shekel (1)	90.20
Italy	Lira	1621.00
Ivory Coast	C.F.A. Franc	406.725
Jamaica	Dollar (O)	1.7820
	Dollar (F)	3.00
Japan	Yen	235.85
Jordan	Dinar	0.3677
Kampuchea	Riel	n.a.
Kenya	Shilling	13.3593
Kiribati	Aust. Dollar	1.0970
Korea (Nth)	Won	0.94
Korea (Sth)	Won	799.10
Kuwait	Dinar	0.292
Lao P'ple D. Rep.	Kip	10.00
Lebanon	Pound	5.695
Lesotho	Maloti	1.1701
Liberia	Dollar	1.00
Libya	Dinar	0.2961
Liechtenstein	Sw. Franc	2.1785
Luxembourg	Lux Franc	54.545
Macao	Pataca	8.1159
Madagascar D. R.	Franc	459.70
Madeira	Port. Escudo	127.50
Malawi	Kwacha	1.3901
Malaysia	Ringgit	2.347
Maldive Is.	Rufiyaa (O)	0.90
	Rufiyaa (M)	7.05
Mali Rp.	Franc	813.45
Malta	Lira*	2.3711
Martinique	Franc	8.1345
Mauritania	Ouguiya	54.85
Mauritius	Rupee	11.605
Mexico	Peso (Free)	154.46
	Peso (contr'd)	157.04
Miquelon	Fr. Franc	8.1345
Monaco	Fr. Franc	8.1345
Mongolia	Tugrik (O)	3.3058
Montserrat	E. Caribbean $	2.70
Morocco	Dirham	7.8345
Mozambique	Metical	41.0312
Namibia	S.A. Rand	1.1751
Nauru Is.	Aust. Dollar	1.0975
Nepal	Rupee	14.30
Netherlands	Guilder	2.983
Neth'nt'l'les	Guilder	1.80
New Zealand	Dollar	1.5176
Nicaragua	Cordoba	10.00
Niger Rp.	C.F.A. Franc	406.725
Nigeria	Naira (O)	0.7407
Norway	Krone	7.442
Oman, Sultanate of	Rial	0.3456
Pakistan	Rupee	13.2579
Panama	Balboa	1.00
Papua N.G.	Kina	0.8563
Paraguay	Guarani (O) (2)	126.00
	Guarani (m) (2)	160.00
Peru	Sol	2150.85
Philippines	Peso (4)	14.006
Pitcairn Is.	N.Z. Dollar	1.5175
Poland	Zloty (O)	98.48
Portugal	Escudo	127.50
Port Timor	Escudo	n.a.
Puerto Rico	U.S. $	1.00
Qatar	Riyal	3.6397
Reunion, Ile de la	Fr. Franc	8.1345
Romania	Leu	4.47
Rwanda	Franc (6)	97.60
St. Christopher	E. Caribbean $	2.70
St. Helena	Pound*	1.485
St. Lucia	E. Caribbean $	2.70
St. Pierre	Fr. Franc	8.1345
St. Vincent	E. Caribbean $	2.70
Samoa (Western)	Tala	1.5337
Samoa (Am)	U.S. $	1.00
San Marino	It. Lira	1621.00
Sao Tome & Principe DR	Dobra	35.3545
Saudi Arabia	Riyal	3.48
Senegal	C.F.A. Franc	406.725
Seychelles	Rupee	6.9746
Sierra Leone	Leone	2.5113
Singapore	Dollar	2.155
Solomon Is.	Dollar	1.2149
Somali Rep.	Shilling	15.5181
South Africa	Rand	1.1751
Spain	Peseta	154.56
Spanish Ports in N. Africa	Sp. Peseta	154.56
Sri Lanka	Rupee	24.52
Sudan Rep.	Pound	0.7692
Surinam	Guilder	1.785
Swaziland	Lilangeni	1.1751
Sweden	Krona	7.8915
Switzerland	Franc	2.1720
Syria	Pound	3.925
Taiwan	Dollar (O)	40.15
Tanzania	Shilling	12.20
Thailand	Baht	22.99
Togo Rep.	C.F.A. Franc	406.725
Tonga Is.	Pa'anga	1.0975
Trinidad & Tobago	Dollar	2.409
Tunisia	Dinar	0.7159
Turkey	Lira	254.90
Turks & Caicos	U.S. $	1.00
Tuvalu	Aust. Dollar	1.0976
Uganda	Shilling (1st)	184.55
	Shilling (2nd)	511.44
Utd. A'b. Emir.	Dirham	3.6725
Utd. Kingdom	Pound Sterling*	1.488
Upper Volta	C.F.A. Franc	406.725
Uruguay	Peso	37.57
U.S.S.R.	Rouble	0.7490
Vanuatu	Vatu	100.910
	Aust. Dollar	1.0975
Vatican	Lira	1621.00
Venezuela	Bolivar (5)	4.30
	Bolivar (6)	9.93
	Bolivar (7)	12.40
Vietnam	Dong (O)	9.18
Virgin Is. Br.	U.S. $	1.00
Virgin Is. U.S.	U.S. $	1.00
Yemen	Rial	4.605
Yemen PDR	Dinar	0.3455
Yugoslavia	Dinar	118.509
Zaire Rp.	Zaire	20.928
Zambia	Kwacha	1.2195
Zimbabwe	Dollar	1.0882

n.a. Not available. (m) Market rate. * U.S. dollars per National Currency unit. (O) Official rate. (C) Commercial rate. (F) Financial rate. (1) Israel: Devalued approximately 23 per cent October 11. (2) Paraguay operates a two tier system, on imports, exports and government transactions, ... all other transactions. (3) Ghana: Central Bank announced devaluation of approximately to 30.0 per cent effective October 11. (4) Philippines Peso new floating from October 5. (5) Venezuela: Three tier system has developed. This rate is for all essential imports. (6) Venezuela: Non essential import rate. (7) Venezuela: Floating rate for tourists. (8) Rwanda: Franc now linked to the SDR at rate 102.71. For further information please contact your local branch of the Bank of America.

COMPANY NOTICE

CHECKERS STORES LIMITED

NOTICE TO SHAREHOLDERS DECLARATION OF PARTICIPATING PREFERENCE DIVIDEND No. 18

NOTICE IS HEREBY GIVEN that a dividend of 9.5 cents per share (comprising a Preferential dividend of 3.5 cents and a Participating dividend of 6.0 cents per share) in respect of the Cumulative Participating Preference Shares for the six months ending 31 December 1983 has been declared by the Board of Directors payable on 31 December 1983 to persons registered as Participating Preference Shareholders registered in the books of the Company at the close of business on Friday, 25 November 1983.

The dividend is declared in South African currency and dividends payable from the London Office will be paid in United Kingdom currency calculated at the rate of exchange ruling between Rand and Sterling on 8 December 1983.

Dividend cheques despatched from the London Office to persons resident in Great Britain or Northern Ireland will be subject to a deduction of United Kingdom Income Tax at rates to be arrived at after allowing for relief (if any) in respect of South African taxes.

The Company will, where applicable, deduct the Non-Resident Shareholders' Tax of 15% from dividends payable.

For the purpose of paying the above dividend, the Participating Preference Share Register will be closed from 28 November to 9 December 1983, both days inclusive.

Dividend cheques in payment will be posted on or about 31 December 1983.

By Order of the Board
R. C. CRAGG, Secretary

Registered Office:
320 Commissioner Street,
Johannesburg, 2001.
South African Transfer Secretaries:
Central Registrars Limited,
154 Market Street,
Johannesburg.
(P.O. Box 4844,
Johannesburg, 2000).
London Transfer Secretaries:
Senior Registration Services,
Sunbury House,
55 Beckenham Road,
Beckenham, Kent, BR3 4TU,
United Kingdom.

INTERNATIONAL CAPITAL MARKETS

New hope for U.S. payment to IMF

By Stewart Fleming in Washington

MR DONALD REGAN, the U.S. Secretary of the Treasury, said yesterday that an agreement was imminent which would allow legislation to authorise the $8.4bn U.S. contribution to the International Monetary Fund to move through Congress.

He said that the compromise being worked out between the House and Senate banking committees and the Reagan Administration might be finalised during the day. If so, he anticipated that the IMF legislation might clear both Houses of Congress by Friday next week.

The first signs that the IMF legislation might be on the move through Congress surfaced late on Tuesday.

After a session on Wednesday with House Democrats, Mr Fernand St Germain, chairman of the House Banking Committee, said: "I believe we are close to a series of compromises which will allow us to move an IMF Bill and a Housing Bill package through Congress before the end of the session."

Congressiooal approval of the U.S. contribution to the IMF has been seen in banking and financial circles as a vital step if the IMF is to carry out its role in stabilising developing countries' debt problems.

There has been strong opposition in Congress to approving the legislation. Democrats in the House have been insisting that the Administration permit a Housing Bill, including additional public financing for housing, to pass as the price of approving the IMF legislation.

Mr St Germain's statement suggests the Reagan Administration has paid a price in terms of compromising on housing legislation, even though this will add to the budget deficit beyond current projections. Senator Jake Garn, chairman of the Senate Housing Committee, appears satisfied he can push the housing legislatioo through.

EUROBONDS

ITT's $100m issue more popular than expected

BY MARY ANN SIEGHART IN LONDON

THE EUROBOND market showed the more irrational side of its nature yesterday in its reaction to a $100m bond from the U.S. communications conglomerate, International Telephone and Telegraph (ITT).

Led by SBC International with four co-lead managers (Deutsche Bank, Lazard Frères, Lehman Brothers, and Morgan Guaranty), the six-year bond has an 11½ per cent coupon at par. Bonds carry detachable one-year warrants on offer at $18 to buy into the same series. If all were exercised, ITT would raise a total of $200m.

The bonds sold at a respectable 1⅝ point discount and the warrants traded at around $20.50.

By contrast, Weyerhaeuser, the U.S. forest products company, two weeks ago launched a $60m, seven-year bond with the same coupon as ITT. That bond is now languishing at a three-point discount, despite the fact that the amount is smaller, the maturity shorter and the credit better — Weyerhaeuser is rated double-A and ITT only single-A.

The reason is that the ITT name still carries special magic for Continental investors. "Everyone thinks they're triple-A and that they're the same as AT & T," explained one new issue manager.

Elsewhere, Saitama Bank became the first Japanese bank for over two years, to tap the floating-rate note sector. Market reaction to the $50m deal reflected that; the bonds pipped over par in the morning and closed at a tiny discount at the end of the day.

This is despite pricing which, compared with other issues, is relatively tight. The 10-year note (with a put option after eight), pays ⅛ per cent over the six-month London interbank offered rate (Libor) at par and the total front-end fees are only 0.80 per cent. Crédit Suisse-First Boston is leading the deal with SBC International and Saitama.

The other FRN of the day came from Bank of Credit and Commerce International. Led by Bank of America International with London and Continental Bankers, the seven-year, $50m bond has a spread of ¼ point over six-month Libor at par. It has an investor redemption option after five years and a call option for the issuer after three. Front-end fees are 2⅛ points.

The mood in the dollar secondary market was more positive yesterday after a successful 10-year U.S. Treasury auction in New York the night before. Prices rose by ¼-⅜ point.

Two Euro-Canadian dollar bonds were launched yesterday, bringing the total for the week to three. British Columbia is raising C$100m with a 10-year, 12 per cent bond at par led by SBC International. It is only the second Canadian dollar bond of such a size.

Loblaw Cos. the Canadian retail group, came to the market with a C$35m, 12½ per cent bond with a seven-year life at par. Lead manager is Orion Royal Bank.

Markets on the European Continent also caught New York's better mood. Prices of seasoned bonds rose by ¼ point in Germany and ⅛ point in Switzerland.

BHF Bank bond average		
Nov 10		Previous
98.732		98.576
High	1983	Low
102.017		97.898

WEEKLY U.S. BOND YIELDS (%)

	Nov 9	Nov 2	1983 High	1983 Low
Composite Corp. AAA	12.25	12.06	12.59	10.62
Composite Corp. AA	12.38	12.20	12.83	10.78
Government:				
Long-term	11.76	11.60	11.98	10.18
Intermediate	11.54	11.37	12.03	9.83
Short-term	10.84	10.67	11.28	9.21
Municipal	9.74	9.78	9.86	8.72
Industrials AAA	12.01	11.80	12.38	10.51
Industrials AA	12.21	12.03	12.62	10.72
Utilities AAA	12.49	12.31	12.81	10.73
Utilities AA	12.51	12.38	13.08	10.85
Preferred Stocks	11.05	10.99	11.41	10.08

Source: Standard & Poor's

FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. For further details of these or other bonds see the complete list of Eurobond prices which is published monthly. The following are closing prices for November 10.

EUROPE
UK

FT 500

A Financial Times Survey

EUROPE'S TOP COMPANIES

The year's big winners

By Richard Lambert

EUROPE'S biggest publicly quoted companies are here, for the second year in a row, ranked by the FT 500. For companies, the value of the survey is that it shows them where they stand in terms of market value and profitability compared to their competitors across the continent.

For investors, whose horizons are becoming increasingly international, it highlights the differences in stock market standing between similar companies in neighbouring countries.

The survey incorporates two main lists, the European 500 and the UK 500, each giving rankings based on the stock market values of the companies listed, taken as an average over the month of June.

This yardstick—market capitalisation—was chosen because a ranking based on total sales could not take proper account of banks and other financial service groups, which make up a large number of Europe's biggest companies. And comparisons based on the size of a company's net worth would be distorted by accounting differences.

The price of shares, however, reflects the health and prospects of the companies which issue them—whether they are based in Finland or Spain. Such valuations, accordingly, form a truly international yardstick.

This survey also reports the turnover, profits, change in turnover and profits, and the return on capital employed for each company. Further, it analyses profit trends for various sectors across Europe and within the UK. Tables accompanying tha UK 500 show those companies joining the list this year as well as those which have dropped out.

The role of the stock market within the corporate sector varies, of course, from country to country.

In tha UK, for example, there is a broad and active market in company securities, and the Stock Exchange is an important source of finance for industry.

In Germany, the banks play a much bigger part in company finance. Giant companies in Italy, such as ENI and IRI, are state-owned and so excluded from the main rankings, and the nationalisation programme in France has also removed a number of leading candidates.

To bring these companies into the reckoning, this year's survey includes for the first time a separate list of Europe's top 100 companies—whether privately or publicly owned—which is based on annual sales.

Thirteen countries are represented in the main FT European 500, and once again the UK is comfortably at the top of the table with 229 of the leaders, compared with 234 last year. Next comes Germany, with 73, France with 42 and Switzerland with 37.

The widely-based bull market in share prices has substantially-increased the value of the European 500 over the year. In 1982, a company had to be valued at over $116m to get through the gateway: this year, the entry barrier had climbed to over $141m. Number 100 on the latest list is Tarmac of the UK, with a capitalisation of $894m: last year, it was Switzerland's Winterthur, valued at $706m.

The big winners in this year's European 500 have owed a great deal to the strength of their domestic capital market. Fuelled by international buying, share prices fairly shot ahead in the Netherlands and in the Scandinavian markets, all of which have a much stronger representation on the 500 than they did a year ago.

Akzo has jumped 134 places to number 131 in the league table, and Philips, another Dutch company, has also moved ahead sharply to position 18.

Starry performances

Two of the starriest performances have come from Swedish companies. Ericsson, which has climbed from 98 to 27, is involved in information systems, telecommunications, cabla and defence. With less than a fifth of its sales in Sweden, the group has recorded strongly rising sales and earnings in the past four years.

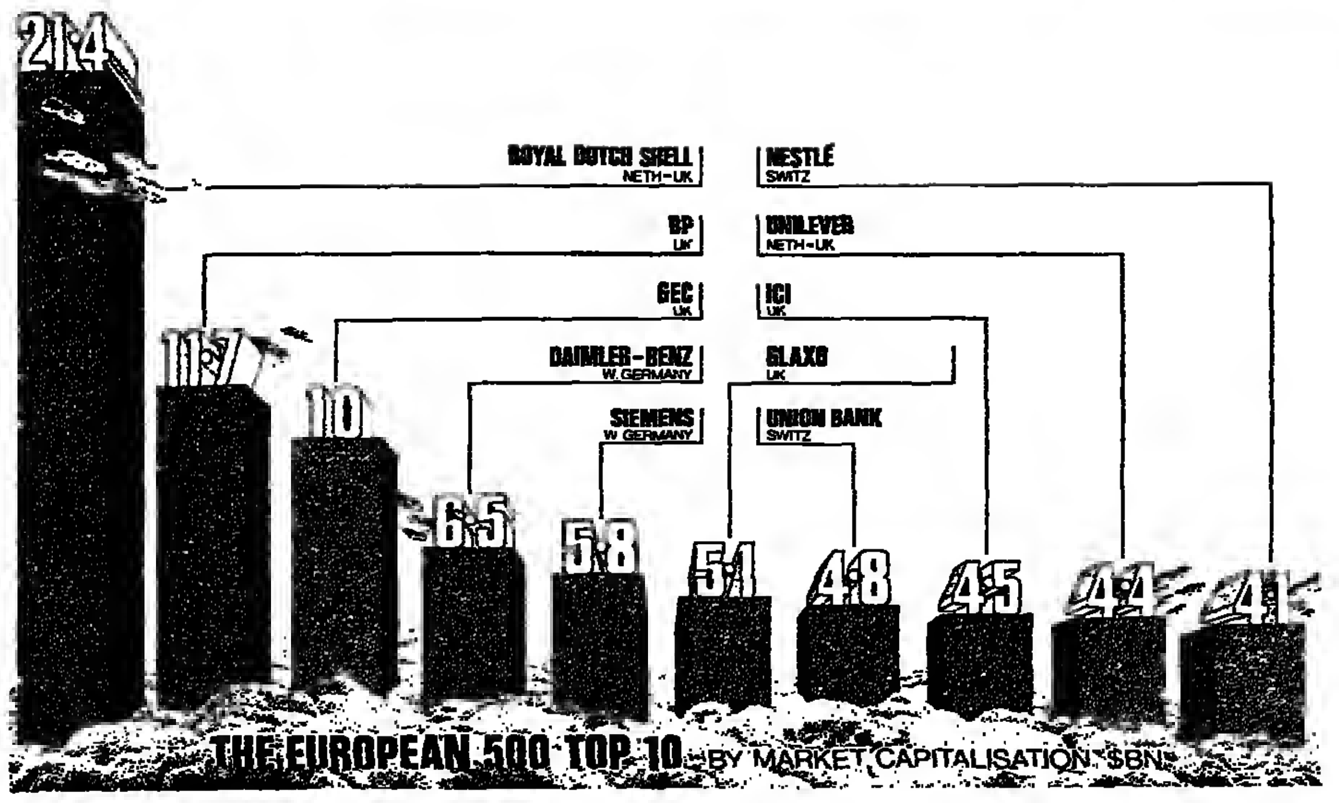
ASEA, up from 133 to 43, has also been boosting its export sales aggressively. It builds power plants, transportation equipment and process plant, and its concentration on the high technology end of the business has brought a sharp increase in earnings per share during the past two years.

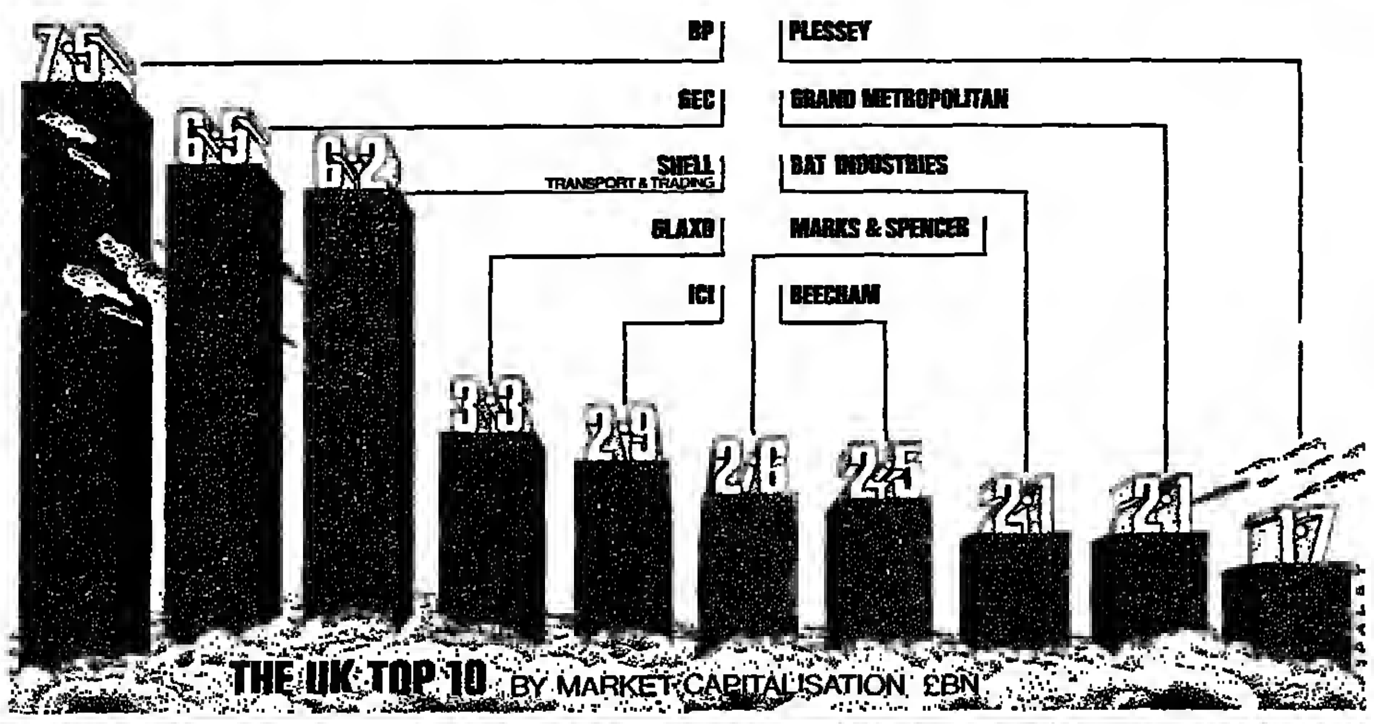
Both companies generated strong buying from U.S. investors, who have also given a big lift up to the only new entrant to this year's top 10—Glaxo, the UK pharmaceutical group which has risen from 22 to 6. The excitement here has been provided by a new anti-ulcer drug, Zantac, which is chasing a $1bn market currently dominated by Smith-Kline of the U.S.

Prominent among the falling stars highlighted by tha European 500 are the Spanish banks. Four of the major Spanish banks plummeted down the list, while three more dropped off completely. Their problems have been the devaluation of tha Spanish pesata against the dollar, plus a home-grown banking crisis which led to the Government stepping in to take over parts of the Rumasa empire.

This year's FT 500 also incindes tables showing the 10 companies with the biggest profit increases for the year and the ten greatest profit decreases, for both the UK and Europe. Most of the big profit increases stem from profits recoveries, as is the case of Franco Tosi (439) of Italy, and Solvay (118) of Belgium.

Another innovation this year is a table of the FT 500's largest money losers across Europe. Most of the names are well-known, such as Michelin, Peugeot and British Aerospace. France provides four of the ten companies, Britain two and there is one each from Italy, Switzerland and West Germany.





● The long-awaited recovery in British industrial profits is finally under way. The FT 500 companies show a cumulative growth in pre-tax profits this year of nearly 4 per cent, with companies reporting increasingly stronger profit advances during the course of the year. For details of the UK 500 companies, the rising stars, the newcomers and the drop-outs, see pages VI to VIII.

IN THIS SURVEY

EUROPE FT 500

1—200

Ranking 1983	1982	Company	Country	Market capital $m	Sector	Rank-ing	Turnover 1982-83 $m	Turnover 1981-82 $m	% change	Profit 1982-83 $m	Profit 1981-82 $m	% change	ROCE	Year end	Employees
1	(1)	Royal Dutch/Shell	NET/UK	21,441.2	51	1	86,142.8	78,840.8	12.1	10,114.0	9,596.4	5.4	31.3	31.12.82	163,000*
2	(2)	British Petroleum	UK	11,710.2	51	2	46,453.2	39,904.8	13.9	3,571.4	3,768.1	−0.2	18.7	21.12.82	143,350*
3	(3)	General Electric Company	UK	10,051.5	04	23	7,157.5	6,492.0	10.4	1,038.7	905.2	14.7	27.8	31.3.83	178,061
4	(6)	Daimler-Benz	GER	6,565.2	09	6	15,266.3	14,385.8	6.1	1,702.2	1,637.0	10.7	32.8	31.12.82	186,687
5	(8)	Siemens	GER	5,849.0	04	7	15,737.6	13,561.7	16.0	653.0	545.8	19.6	8.5	30.9.82	324,000
6	(22)	Glaxo Holdings	UK	5,104.8	27	184	1,341.5	1,100.6	21.9	207.1	135.3	53.6	29.1	30.6.82	28,106
7	(4)	Union Bank	SWI	4,852.6	62	—	NR	NR	—	327.6	287.4	14.0	13.0†	31.12.82	16,988
8	(10)	Imperial Chemical Industries	UK	4,576.1	42	16	11,400.5	10,196.6	11.6	401.3	519.0	−22.7	9.2	31.12.82	122,224*
9	(7)	Unilever NV/PLC	NET/UK	4,458.6	25	4	19,577.2	19,651.5	−0.4	1,074.4	1,172.1	−8.3	17.1	31.12.82	283,000
10	(9)	Nestle	SWI	4,141.6	25	16	13,098.6	13,132.0	−0.3	1,019.4	892.1	14.3	22.6	31.12.82	141,509
11	(5)	Marks and Spencer	UK	4,112.4	34	47	3,882.0	3,406.7	14.0	370.8	344.1	7.7	21.6	31.3.83	46,465
12	(10)	RWE	GER	4,061.4	55	22	9,170.6	8,166.6	12.3	677.7	670.6	1.1	11.2	30.6.82	70,098*
13	(11)	Beecham Group	UK	3,843.3	27	76	2,637.7	2,180.0	21.0	367.4	312.8	17.4	32.6	31.3.83	35,400
14	(14)	Deutsche Bank	GER	3,433.3	62	—	NR	NR	—	512.1	477.2	7.2	21.5†	21.12.82	45,618*
15	(12)	Swiss Bank Corporation	SWI	3,289.4	62	—	NR	NR	—	289.7	265.7	9.8	11.9†	31.12.82	14,332
16	(15)	BAT Industries	UK	3,273.9	36	5	17,536.1	14,085.6	24.5	1,329.9	1,066.8	25.1	29.2	21.12.82	178,000*
17	(19)	Grand Metropolitan	UK	3,267.6	22	29	5,962.9	4990.6	18.6	341.2	289.1	18.0	16.2	30.9.82	129,464*
18	(36)	Philips	NET	3,112.6	04	9	15,055.4	14,862.3	1.4	410.4	354.4	15.8	11.8	21.12.82	336,200
19	(16)	Credit Suisse	SWI	3,105.1	62	—	NR	NR	—	192.3	187.2	2.7	8.5†	31.12.82	NA*
20	(27)	Ciba-Geigy	SWI	2,852.2	42	25	6,538.1	6,499.1	1.5	294.5	246.7	19.4	7.0	31.12.82	79,413*
21	(26)	Hoffmann-La Roche	SWI	2,836.1	42	58	3,363.3	3,209.6	4.8	133.7	119.6	11.1	6.2	31.12.82	46,484‡
22	(18)	Generali	ITA	2,715.6	66	—	NR	NR	—	34.6	31.0	11.2	NR	31.12.82	NA
23	(28)	Plessey Company	UK	2,716.4	04	123	1,665.2	1,492.2	11.6	226.8	172.7	31.3	31.7	1.4.83	39,879
24	(17)	Bayer	GER	2,705.6	42	14	13,668.9	13,240.4	3.2	380.6	550.9	−30.9	20.8	31.12.82	179,500
25	(20)	Barclays Bank	UK	2,629.1	62	—	NR	NR	—	767.3	877.9	−12.6	26.9†	31.12.82	103,259
26	(41)	BTR	UK	2,536.7	10	173	1,123.2	987.6	13.7	165.3	139.7	18.3	30.8	1.1.83	23,000
27	(98)	Ericsson, L. M.	SWE	2,440.3	04	80	2,565.2	2,123.0	20.8	133.1	153.4	−13.2	20.9	31.12.82	66,300
28	(32)	Rio Tinto-Zinc Corporation	UK	2,431.1	81	30	5,702.4	4,680.9	21.6	528.2	539.3	−2.0	12.8	31.12.82	78,909
29	(25)	Hoechst	GER	2,416.9	42	12	13,728.0	13,912.3	1.0	420.7	458.7	−0.2	14.4	31.12.82	182,184
30	(35)	Allianz Versicherung	GER	2,413.9	96	—	NR	NR	—	226.4	154.6	46.3	NR	31.12.82	15,694*
31	(23)	BASF	GER	2,347.0	42	13	13,672.8	13,430.7	1.8	398.7	506.2	−21.6	11.6	31.12.82	110,868*
32	(30)	National Westminster Bank	UK	2,320.8	62	—	NR	NR	—	680.2	765.4	−11.1	24.3†	21.12.82	62,900
33	(24)	Racal Electronics	UK	2,222.8	04	187	1,181.0	994.0	18.8	177.0	159.6	11.4	34.0	21.3.83	18,000
34	(210)	Dortsche Petroleum	NET	2,196.1	91	—	—	—	—	—	—	—	—	—	—*
35	(31)	Veba	GER	2,124.6	11	3	19,829.1	19,395.6	2.2	537.0	552.1	−2.6	11.1	31.12.82	80,474
36	(21)	Great Universal Stores	UK	2,100.1	34	72	2,867.0	2,567.0	11.3	312.0	293.1	6.0	22.7	31.3.83	NA*
37	(84)	Volvo	SWE	2,091.4	09	19	9,914.9	6,295.6	57.5	294.3	186.8	57.8	21.5	31.12.82	75,136
38	(28)	Sainsbury, J.	UK	2,066.0	26	50	2,690.3	2,906.4	27.1	168.0	129.2	30.4	26.9	26.8.83	53,210*
39	(34)	Elf Aquitaine	FRA	1,918.5	61	10	14,971.6	13,616.6	9.9	2,133.3	2,169.0	−1.7	21.2	31.12.82	58,800
40	(44)	Prudential Corporation	UK	1,914.3	66	—	NR	NR	—	97.1	79.9	21.8	NR	31.12.82	27,892
41	(42)	Cable and Wireless	UK	1,941.1	04	295	624.9	545.1	14.6	242.8	138.2	75.7	32.1	31.3.83	10,874‡
42	(—)	Britoil	UK	1,711.2	51	216	748.1	NR	—	398.0	NR	—	64.8	31.12.82	2,581*
43	(133)	Asea	SWE	1,710.3	06	59	3,361.8	2,524.9	33.1	171.0	112.1	52.0	16.5	31.12.82	55,882
44	(37)	Volkswagen	GER	1,705.2	09	11	14,689.1	14,863.3	−1.2	[illegible]	356.2	−82.6	5.9	31.12.82	239,110
45	(33)	Land Securities	UK	1,698.4	69	—	NR	NR	—	121.1	104.4	16.6	5.3	31.3.83	488
46	(50)	Allianz Lebens.	GER	1,695.0	65	—	NR	NR	—	34.6	29.1	10.7	NR	31.12.82	5,844*
47	(45)	Lloyds Bank	UK	1,636.3	62	—	NR	NR	—	489.6	587.4	−16.1	21.1†	31.12.82	70,229
48	(77)	BMW	GER	1,610.1	09	38	4,569.7	3,748.5	21.7	221.4	155.1	42.7	18.3	31.12.82	47,466*
49	(43)	Bass	UK	1,606.4	22	70	2,883.1	3,653.6	8.7	211.6	206.4	2.6	13.0	30.9.82	69,456
50	(55)	Consolidated Gold Fields	UK	1,595.7	81	126	1,617.9	1,343.3	20.4	150.0	288.7	−48.6	10.7	30.6.82	100,994‡
51	(38)	Zurich Insurance	SWI	1,576.7	66	—	NR	NR	—	71.0	60.7	18.0	NR	31.12.82	23,000
52	(40)	Boots	UK	1,561.0	34	78	2,587.8	3,304.0	12.3	317.1	196.2	16.6	22.4	21.3.83	66,562‡
53	(—)	Standard Telephones & Cables	UK	1,530.3	04	195	973.9	879.4	10.7	98.6	78.4	27.6	31.2	31.12.82	22,742
54	(39)	Petrofina	BEL	1,482.8	61	21	9,420.7	7,655.4	23.1	1,229.1	1,081.1	13.6	63.0	31.12.82	21,000
55	(46)	Thorn EMI	UK	1,470.0	04	43	4,208.0	3,774.2	11.6	189.6	163.3	15.7	18.9	31.3.83	73,559
56	(57)	Allied Lyons	UK	1,462.4	22	46	4,086.2	3,710.1	10.2	247.3	218.9	13.0	16.4	5.3.83	74,190
57	(56)	Royal Insurance	UK	1,434.6	66	—	NR	NR	—	149.6	182.1	−17.0	NR	31.12.82	21,604
58	(49)	Dresdner Bank	GER	1,414.9	62	—	NR	NR	—	196.8	156.9	24.9	13.4†	21.12.82	26,925*
59	(58)	Sears Holdings	UK	1,408.5	34	84	2,473.9	2,310.0	7.1	175.9	161.1	9.1	18.8	31.1.83	57,000
60	(105)	Hanson Trust	UK	1,364.7	11	117	1,779.2	1,328.1	34.2	93.6	77.0	21.8	25.0	30.9.82	44,000
61	(53)	Distillers Company	UK	1,350.7	22	167	1,288.2	1,189.8	6.6	311.1	276.1	12.7	18.1	31.3.83	17,159*
62	(68)	Novo Industri	DEN	1,337.3	42	311	297.9	244.7	21.7	66.8	49.2	35.8	31.5	31.12.82	3,987
63	(51)	Mannesmann	GER	1,334.4	06	28	6,462.4	6,054.3	6.7	266.8	248.1	7.6	12.1	31.12.82	112,584
64	(60)	BOC Group	UK	1,334.0	42	90	2,377.1	2,357.7	0.8	159.0	147.3	7.6	11.6	30.9.82	38,370‡
65	(47)	Imperial Group	UK	1,330.3	36	24	7,149.4	7,012.0	2.0	239.1	164.2	45.6	18.1	31.10.82	101,300*
66	(93)	Ultramar	UK	1,298.0	61	93	2,344.7	2,157.5	8.7	286.9	279.2	2.8	31.3	31.12.82	4,500
67	(63)	Sandoz	SWI	1,282.0	42	71	2,866.1	2,730.2	0.0	129.3	107.8	20.3	10.8	31.12.82	37,262
68	(66)	Commerzbank	GER	1,218.1	62	—	NR	NR	—	107.4	51.9	106.9	10.0†	31.12.82	18,868
69	(79)	Associated Dairies	UK	1,207.6	26	82	2,353.8	2,023.7	16.3	119.9	94.2	27.2	33.3	30.04.83	29,977
70	(91)	Bayerische Vereinsbank	GER	1,196.8	62	—	NR	NR	—	150.4	137.7	9.2	17.4†	31.12.82	12,841
71	(108)	Tilling, Thomas	UK	1,188.7	11	57	3,456.6	3,178.4	9.1	67.7	114.0	−40.6	12.9	31.12.82	42,600*
72	(255)	Societe Generale Banque	BEL	1,180.3	62	—	NR	NR	—	110.2	94.6	16.6	22.5†	31.12.82	15,445
73	(156)	Astra	SWE	1,175.8	27	287	359.3	296.0	21.8	55.3	32.1	72.1	30.9	31.12.82	8,162
74	(100)	Winterthur Versich.	SWI	1,167.9	66	—	NR	NR	—	62.0	60.3	2.7	NR	21.12.82	12,000
75	(62)	Bayerische Hypo. and Wes. Bk.	GER	1,157.2	62	—	NR	NR	—	122.2	93.9	30.2	17.1†	31.12.82	11,481
76	(48)	Air Liquide	FRA	1,124.0	10	115	1,860.2	1,623.1	14.6	216.2	216.1	1.4	25.8	31.12.82	25,000
77	(152)	Stet	ITA	1,112.1	04	32	5,644.6	4,042.6	24.8	83.0	23.2	258.0	NA	31.12.82	NA
78	(62)	Midland Bank	UK	1,108.5	62	—	NR	NR	—	389.5	369.8	8.3	45.3†	31.12.82	69,042
79	(89)	Guardian Royal Exchange	UK	1,097.0	69	—	NR	NR	—	164.5	138.1	19.2	NR	31.12.82	17,500
80	(—)	Elkem	NOR	1,095.6	08	217	738.0	671.2	10.0	(42.8)	(25.5)	—	3.5	31.12.82	11,164
81	(72)	General Accident	UK	1,086.6	66	—	NR	NR	—	69.9	162.5	−57.0	NR	21.12.82	17,210
82	(73)	Trusthouse Forte	UK	1,083.2	29	143	1,416.3	1,308.9	8.4	88.6	81.0	9.2	11.5	31.10.82	60,400‡
83	(67)	Standard Chartered Bank	UK	1,082.8	62	—	NR	NR	—	375.0	403.5	−7.1	27.3†	21.12.82	6,558*
84	(52)	Hawker Siddeley Group	UK	1,079.4	06	97	2,190.0	2,161.4	0.9	180.0	187.6	−4.0	16.5	31.12.82	47,200
85	(64)	Commercial Union	UK	1,060.9	66	—	NR	NR	—	33.3	138.7	−76.0	NR	31.12.82	22,358‡
86	(101)	SIP	ITA	1,056.9	55	61	3,688.2	3,069.6	20.2	134.6	169.9	−20.4	NA	31.12.82	NA
87	(104)	Legal and General	UK	1,020.8	65	—	NR	NR	—	69.7	56.2	6.1	NR	21.12.82	6,700
88	(85)	Algemene Bank Netherland	NET	999.9	62	—	NR	NR	—	185.7	178.7	3.9	18.2†	31.12.82	28,453
89	(102)	Intercom	BEL	974.3	55	99	2,137.8	1,966.6	6.9	204.3	193.2	5.7	12.1	31.12.82	8,503
90	(114)	Norsk Hydro	NOR	972.0	42	74	2,829.6	2,407.3	17.0	196.4	269.9	−27.2	28.9	31.12.82	15,618
91	(55)	Nationale-Nederlanden	NET	958.0	66	—	NR	NR	—	218.5	212.0	3.1	NR	31.12.82	17,752
92	(144)	Lufthansa	GER	957.8	16	61	3,233.4	3,015.6	7.2	64.8	21.2	75.4	7.9	31.12.82	30,712*
93	(70)	GHH	GER	942.7	66	27	5,993.9	5,214.2	15.0	65.7	100.7	−34.8	11.4	30.6.82	67,370*
94	(71)	Associated British Foods	UK	931.8	25	31	5,214.8	4,600.5	13.4	227.0	215.0	5.2	22.2	2.4.83	112,339
95	(97)	Nordwest. Kraftwerk	GER	929.3	55	190	1,003.4	941.3	19.8	91.8	99.5	−7.7	0.0	30.9.82	3,330*
96	(96)	Oerlikon-Buehrle	SWI	929.0	09	106	1,990.7	1,889.3	4.8	28.6	31.0	−10.1	6.0	21.12.82	33,002
97	(—)	Pharmacia	SWE	918.4	42	322	244.2	188.6	29.8	41.7	17.2	142.6	27.6	31.12.82	3,930
98	(86)	Swiss Re	SWI	899.2	66	—	NR	NR	—	85.2	83.8	1.7	NR	31.12.81	NA
99	(109)	Sun Alliance and Lond. Assce.	UK	898.0	66	—	NR	NR	—	89.0	109.9	−19.9	NR	31.12.82	8,119
100	(105)	Tarmac	UK	894.2	02	138	1,531.4	1,339.6	14.2	106.4	80.7	31.9	28.8	31.12.82	22,811
101	(—)	Saab-Scania	SWE	885.2	09	85	2,455.0	2,122.2	15.7	181.9	137.5	21.9	22.3	21.12.82	40,311
102	(—)	Pirelli and Co.	ITA	885.2	09	—	NR	NR	—	4.2	4.2	−0.0	NA	31.12.82	NA
103	(111)	VEW	GER	879.2	55	96	2,190.8	1,985.9	10.3	127.2	117.8	9.2	9.3	31.12.82	7,252*
104	(125)	L'Oreal	FRA	873.4	27	142	1,419.0	1,283.1	12.3	130.2	115.2	13.1	38.8	31.12.82	24,104
105	(115)	Reckitt and Colman	UK	870.0	27	148	1,395.5	1,281.6	6.0	115.2	102.3	13.1	27.7	1.1.83	13,998
106	(80)	Eagle Star	UK	869.9	66	—	NR	NR	—	105.4	114.3	−7.9	NR	31.12.82	13,524
107	(162)	Svenska Cellulosa	SWE	865.0	33	178	1,095.8	976.4	12.2	78.1	86.5	−9.7	13.0	21.12.82	15,683
108	(136)	Fiat	ITA	864.2	09	15	13,667.7	13,453.3	1.6	173.1	141.8	22.3	NA	31.12.82	NA
109	(92)	Standard Elektrik Lorenz	GER	841.1	04	125	1,629.6	1,499.4	0.7	29.4	29.8	−1.3	12.6	31.12.82	28,011*
110	(—)	Skandinaviska Enskilda Bank	SWE	837.0	62	—	NR	NR	—	186.7	180.4	3.5	28.8†	21.12.82	7,110
111	(189)	Redland	UK	836.7	02	159	1,238.1	1,112.9	11.2	102.7	92.7	10.9	13.0	26.3.83	12,000*
112	(131)	Ferranti	UK	827.1	04	247	576.7	475.0	31.8	48.9	36.9	32.4	25.9	31.3.83	18,427
113	(69)	Thyssen	GER	827.0	08	17	12,011.4	11,052.7	8.7	83.9	61.4	36.5	9.1	30.9.82	144,715
114	(—)	Stora Kopparberg	SWE	820.9	33	234	626.2	605.9	3.2	37.4	60.6	−38.4	8.1	21.12.82	6,348
115	(99)	BPB Industries	UK	815.9	02	219	721.6	628.7	14.9	101.4	87.5	15.8	27.6	31.3.83	10,800
116	(94)	Electrowatt	SWI	811.7	11	179	1,084.7	947.9	16.8	18.0	14.9	21.1	5.4	30.6.82	11,578*
117	(87)	Whitbread	UK	804.5	22	136	1,552.3	1,304.1	19.0	125.8	113.8	10.5	10.2	26.2.83	20,000‡
118	(119)	Solvay et Cie	BEL	781.2	42	55	3,492.2	3,092.0	12.9	130.9	46.6	169.4	19.1	31.12.82	NA
119	(141)	BSN Groupe	FRA	783.9	26	73	2,864.6	2,511.6	13.7	154.3	133.5	15.8	23.1	21.12.82	38,914
120	(—)	Jacobs Suchard	SWI	783.3	25	108	1,925.3	NA	—	82.8	NA	—	23.9	31.12.82	12,039*
121	(91)	Cadbury Schweppes	UK	762.1	25	88	2,444.6	1,969.3	24.1	139.0	124.9	11.8	21.2	1.1.83	39,148
122	(74)	Blue Circle Industries	UK	760.6	02	162	1,216.6	1,162.4	4.7	139.4	161.3	−13.5	10.1	31.12.82	31,800
123	(219)	Heineken	NET	744.6	22	140	1,463.3	1,244.0	16.8	94.0	71.2	32.3	13.3	31.12.82	20,931
124	(148)	EBES	BEL	742.1	56	197	966.4	898.6	7.6	90.0	67.8	32.8	13.0	31.12.82	4,901*
125	(157)	Moet-Hennessy	FRA	739.4	22	240	598.9	544.9	9.8	90.0	83.1	9.3	26.4	31.12.82	6,012
126	(117)	Sedgwick Group	UK	739.2	67	—	NR	NR	—	113.1	87.4	29.8	64.0	31.12.82	6,103
127		[illegible]													
128		[illegible]													
129		[illegible]													
130		[illegible]													
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164		[illegible]													
165		[illegible]													
166		[illegible]													
167	(182)	Berisford, S. and W.	UK	534.4	25	42	4,228.6	3,465.0	22.0	84.8	63.1	34.3	11.0	30.9.82	6,400*
168	(231)	Carlo Erba	ITA	530.3	27	285	477.2	418.5	14.0	34.1	25.0	36.4	NA	21.12.82	6,104
169	(124)	Bowater Corporation	UK	527.1	33	87	2,428.4	2,677.4	−9.4	112.3	165.3	−32.1	14.6	31.12.82	32,200
170	(200)	Alusuisse	SWI	526.7	08	63	3,115.4	3,261.5	−4.4	(84.8)	(24.8)	—	3.7	31.12.82	37,299*
171	(135)	Rank Organisation	UK	524.2	29	183	1,046.1	958.2	9.2	95.3	159.2	−40.1	12.5	31.10.82	28,112
172	(184)	KHD	GER	521.9	08	126	1,628.5	1,620.2	0.5	55.6	42.9	29.8	11.4	31.12.82	23,016*
173	(186)	Courtaulds	UK	520.4	35	67	2,952.4	2,772.5	6.5	98.1	79.2	23.9	14.4	31.3.83	73,000
174	(147)	English China Clays	UK	518.3	10	238	622.8	534.5	16.5	67.4	64.6	4.3	16.5	30.9.82	10,457
175	(174)	London and Scottish Marine Oil	UK	518.0	01	289	373.3	367.4	1.6	191.8	175.4	5.9	60.8	21.12.82	281
176	(166)	Swiss Volksbank	SWI	514.3	62	—	NR	NR	—	29.3	22.1	32.3	5.4†	31.12.82	4,985
177	(78)	Hidroelectrica Espanola	SPA	514.1	55	198	970.5	N/A	—	126.5	122.1	3.6	NA	31.12.82	NA
178	(171)	SKF	SWE	502.6	06	111	1,882.3	1,779.6	5.8	102.4	109.2	−6.2	13.4	31.12.82	47,138
179	(176)	House of Fraser	UK	500.4	34	185	1,194.2	1,127.5	5.9	51.4	43.4	18.4	7.8	29.1.83	29,500
180	(207)	RMC Group	UK	500.3	02	141	1,433.0	1,205.1	18.9	69.4	64.6	7.4	19.5	31.12.82	8,707
181	(218)	Pearson, S. and Son	UK	496.6	11	176	1,113.3	1,088.0	2.3	92.7	92.3	0.5	17.1	31.12.82	31,688
182	(75)	Banco Hispano Americano	SPA	493.7	62	—	NR	NR	—	126.5	81.5	55.2	NA	31.12.82	NA
183	(178)	Holderbank	SWI	493.3	02	151	1,358.6	1,391.1	−2.3	106.8	182.9	−40.5	11.6	31.12.82	18,712
184	(298)	Fisons	UK	486.7	42	294	364.2	561.2	−35.1	32.7	14.3	128.3	15.6	31.12.82	7,536
185	(—)	Pargesa Holdings	SWI	486.3	62	—	NR	NR	—	9.2	NA	—	5.3	30.6.82	NA*
186	(158)	Swissair	SWI	485.4	15	121	1,678.2	1,606.1	4.4	26.4	34.6	−22.6	6.4	31.12.82	15,746
187	(160)	Cardo	SWE	484.6	25	298	356.0	309.0	15.0	56.6	43.6	30.4	17.5	31.12.82	4,924‡
188	(—)	Svenska Handelsbanken	SWE	484.8	62	—	NR	NR	—	182.8	169.2	8.0	97.9†	31.12.82	5,650
189	(180)	Esso Francaise	FRA	483.9	61	36	4,825.6	4,881.5	−1.1	38.2	95.8	−60.2	7.6	31.12.82	4,170*
190	(243)	Victoria Lebens.	GER	482.4	65	—	NR	NR	—	43.4	23.3	86.1	NR	31.12.82	NA*
191	(173)	Rowntree Mackintosh	UK	480.4	25	166	1,193.8	1,066.0	12.0	78.2	61.8	26.8	15.2	1.1.83	29,000
192	(253)	ICL	UK	479.9	04	174	1,117.0	1,101.6	1.4	36.7	(77.2)	—	17.5	30.9.82	23,581
193	(170)	Olivetti	ITA	473.6	44	95	2,213.3	1,912.9	15.7	66.1	(63.3)	—	NA	31.12.82	49,763
194	(251)	Habitat Mothercare	UK	473.8	34	288	378.0	243.5	55.3	30.6	15.5	93.1	28.1	27.3.83	9,148
195	(225)	Magnet and Southerns	UK	473.4	62	321	250.4	211.3	18.6	36.1	28.0	28.7	20.9	31.3.83	4,251
196	(204)	Charter Consolidated	UK	470.3	21	232	634.1	553.8	14.7	73.9	91.8	−19.5	13.2	31.3.82	13,048
197	(205)	Generale des Eaux	FRA	466.6	55	210	790.9	687.1	15.1	52.0	52.7	−1.3	12.6	31.12.82	7,253
198	(240)	AMEV	NET	465.2	66	—	NR	NR	—	84.4	80.4	5.0	NR	31.12.82	7,008
199	(256)	Burton Group	UK	464.8	34	308	315.3	293.0	7.8	37.7	25.4	48.5	16.9	28.8.82	9,531
200	(127)	Granada Group	UK	464.7	29	222	712.6	597.1	19.3	72.6	74.6	−2.2	21.2	02.10.82	13,000

The basis for the lists

● Main ranking is based on market capitalisation. Average market capital for June 1983 based on daily figures supplied by Datastream, except for Finland and Spain where figures were supplied by the bourses in those countries. Where two companies have the same market capital, ranking was determined by turnover or, in the absence of turnover, profit.

●UK 500 figures are in pounds sterling. European 500 and turnover tables are in U.S. dollars. Exchange rates are June averages supplied by FT Statistics department.

● Wherever possible consolidated accounts were used. Where consolidated turnover but only parent company profit is reported, these figures have been used with a footnote. To be included in the market capital tables companies needed a minimum public shareholding of 25 per cent except in the case of USM companies.

● Turnover: wherever possible sales figures net of sales taxes and intergroup sales were used.

● Profit figures wherever possible are shown before tax, minority interests and extra-ordinary items. German, French, Belgian and Swiss company pre-tax profits are in most cases arrived at by adding the tax back to the year's profit figure. They are therefore shown after extra-ordinary items. Scandinavian and Dutch profits are before tax, extraordinary items, year end appropriations/allocations. Italian and Spanish figures are net profit.

● Return on capital employed figures were provided by Extel calculated on capital employed at beginning of the year and profit before interest and tax unless otherwise stated. For financial companies capital employed = shareholders' funds.

SECTOR CODES*

02 Building Materials
03 Contracting/Construction
04 Electricals
05 Engineering Contractors
06 Mechanical Engineering
08 Metals/Metal Forming
09 Motors
10 Other Industrial Materials
11 Diversified Industrial Holding
12 Services
15 Airlines
22 Brewers/Distillers
25 Food Manufacturing
26 Food Retailing
27 Health and Household Products
29 Leisure
32 Newspapers/Publishing
33 Packaging/Paper/Timber
34 Stores
35 Textiles
36 Tobacco
39 Other Consumer Products
42 Chemicals
44 Office Equipment
45 Shipping/Transport
55 Utilities
51 Oils
62 Banks
63 Discount Houses
65 Insurance, Life
66 Insurance, Composite
67 Insurance Brokers
68 Merchant Banks
69 Property
70 Other/Financial
81 Mining Finance
91 Overseas Traders

* Based on those used in the daily FT-Actuaries share indices

Exchange rates and country abbreviations

Austrian Schilling	Aus	18.06	German Mark	Ger	2.5486
Belgian Franc	Bel	50.9114	Irish Punt	Ire	0.8074
British Pound	UK	0.6454	Italian Lira	Ita	1509.6765
Danish Krone	Den	9.1242	Norwegian Krone	Nor	7.2619
Dutch Guilder	Net	2.8556	Spanish Peseta	Spa	143.2189
Finnish Markka	Fin	5.5336	Swedish Krona	Swe	7.6306
French Franc	Fra	7.6659	Swiss Franc	Swi	2.1119

Average $ daily exchange rates for June 1983.

201—300

Ranking 1983	1982	Company	Country	Market capital $m	Sector	Rank-ing	Turnover 1982-83 $m	Turnover 1981-82 $m	% change	Profit 1982-83 $m	Profit 1981-82 $m	% change	ROCE	Year end	Employees
[illegible]															

* See footnotes. † Return on shareholders' funds. ‡ Previous year's figures adjusted for accounting changes. § ROCE on year-end capital employed

FOOTNOTES FOR COMPANIES LISTED ABOVE

1 Royal Dutch/Shell, 60 per cent Royal Dutch Petroleum, 40 per cent Shell Transport and Trading, turnover includes sales taxes, excise duties and similar levies [illegible]

301—500

Ranking 1983	1982	Company	Country	Market capital $m	Sector	Ranking	Turnover 1982-83 $m	Turnover 1981-82 $m	% change	Profit 1982-83 $m	Profit 1981-82 $m	% change	ROCE	Year end	Employees
301	(252)	Peugeot	FRA	280.8	09	20	9,814.3	8,439.5	4.0	(300.4)	(272.1)	—	Nil	31.12.82	208,000
302	(413)	Laporte Industries	UK	279.6	42	324	242.3	209.7	15.6	32.1	23.6	36.0	18.0	2.1.83	2,936*
303	(277)	Ranks Hovis McDougall	UK	278.7	25	83	2,475.9	2,437.2	1.6	52.8	70.1	−24.7	12.8	4.9.82	47,000
304	(191)	Banco de Vizcaya	SPA	277.8	62	—	NR	NR	—	55.1	58.5	−5.8	NA	31.12.82	NA
305	(336)	KKB	GER	275.6	62	—	NR	NR	—	45.1	34.7	29.9	43.7†	31.12.82	3,129*
306	(381)	Bibby, J. and Sons	UK	274.3	25	286	380.6	317.0	20.0	23.5	18.9	24.3	24.9	1.1.83	3,900
307	(310)	Bell, Arthur and Sons	UK	272.4	22	287	380.6	362.2	5.1	42.8	31.0	37.9	24.0	30.6.82	1,755*
308	(374)	Sanoaire	FRA	270.5	68	—	NR	NR	—	1.1	1.1	−2.7	35.4†	31.12.82	63
309	(354)	Wuertt. Feuerver.	GER	270.0	66	—	NR	NR	—	18.5	11.2	64.4	NR	31.12.82	3,350
310	(437)	Currys Group	UK	268.7	34	271	455.3	378.0	20.4	23.3	17.5	33.6	21.4	26.1.83	6,953
311	(500)	Charterhouse Group	UK	267.9	68	—	NR	NR	—	35.4	35.9	1.2	19.5	31.12.82	7,512
312	(349)	Hill Samuel Group	UK	267.1	68	—	NR	NR	—	31.2	24.8	25.7	NA	31.3.83	5,0 g*
313	(326)	Kleinwort Benson Lonsdale	UK	266.3	68	—	NR	NR	—	31.6	33.5	−7.4	NA	31.12.82	1,67g*
314	(371)	Debenhams	UK	263.0	34	200	955.3	917.1	4.2	30.3	41.5	−27.6	8.4	29.1.83	19,385
315	(208)	Matra	FRA	262.5	04	170	1,150.4	871.5	32.0	48.8	35.7	36.6	26.3	31.12.82	5,933
316	(487)	Gist-Brocades	NET	262.4	42	254	525.3	536.0	−2.0	24.5	16.8	45.6	10.7	31.12.82	6,013
317	(472)	BSR	UK	260.5	04	298	359.6	317.0	13.4	(26.9)	8.8	—	NR	31.12.82	11,556
318	(275)	Kraftwerk Laufenburg	SWI	259.8	55	353	84.5	80.9	4.6	15.1	13.9	8.8	NA	31.12.82	352*
319	(327)	Metal Box	UK	259.2	33	100	2,130.0	1,817.2	17.2	81.3	62.2	30.7	15.4	31.3.83	46,157‡
320	(—)	Fecsa	SPA	258.7	55	—	N/A	N/A	—	60.7	52.5	15.7	NA	31.12.82	NA
321	(320)	Kansallis-Osake Pankki	FIN	258.7	62	—	NR	NR	—	55.9	48.8	14.6	18.1†	21.12.82	7,534
322	(376)	Avana Group	UK	257.8	25	327	215.3	198.3	8.6	19.6	16.0	30.4	35.1	2.4.83	3,351
323	(262)	Taylor Woodrow	UK	257.2	09	213	778.9	736.9	5.6	44.2	38.5	14.7	11.2	31.12.82	9,457
324	(424)	Allied Colloids	UK	257.2	42	349	96.6	86.8	11.9	18.9	14.7	28.7	44.1	2.4.83	1,207†
325	(324)	Rheinelektra	GER	256.4	56	334	165.0	152.6	8.2	18.7	16.6	12.4	17.7	30.6.82	2,861*
326	(—)	Rodamco	NET	255.7	69	—	NR	NR	—	11.1	8.8	26.8	6.4	28.2.83	NA
327	(314)	Kredietbank	BEL	255.1	62	—	NR	NR	—	62.5	69.4	−9.9	17.8	31.3.83	8,500
328	(433)	Den Danske Bank	DEN	254.7	62	—	NR	NR	—	34.6	22.7	52.8	11.5†	31.12.82	5,846
329	(332)	Telephone Rentals	UK	253.5	44	361	88.9	83.1	6.9	19.7	21.4	−5.0	21.3	31.12.82	2,400
330	(351)	Esselte	SWE	252.8	44	204	908.8	728.2	24.8	50.7	41.2	23.1	21.8	31.3.83	15,019
331	(377)	Lyonnaise Eaux	FRA	251.6	55	169	1,155.6	982.9	—	52.6	61.8	−14.9	6.2	31.12.82	3,980*
332	(335)	Pirelli International	OWI	251.4	09	101	2,122.3	1,959.8	8.3	14.3	14.8	−3.4	NA	30.6.82	38,138*
333	(216)	Woolworth Holdings	UK	251.0	09	120	1,741.5	NR	—	31.8	NR	—	9.9	26.1.83	51,567*§
334	(401)	Industriekreditbank	GER	250.2	62	—	NR	NR	—	32.9	28.4	15.6	NA	31.3.83	NA
335	(268)	BIC	FRA	250.0	39	245	592.3	529.6	11.5	61.4	50.8	1.2	18.9	31.12.82	12,800*
336	(303)	Nottingham Manufacturing	UK	248.8	35	312	293.1	263.2	11.4	33.0	29.5	11.8	20.6	31.12.82	13,631
337	(302)	Rothmans International	UK	248.3	25	35	4,888.3	3,942.3	24.0	217.8	163.0	33.9	23.6	31.3.83	21,655*
338	(297)	Elekt. Gesell. Laufenberg	SWI	247.8	55	313	284.2	250.1	13.9	5.7	6.7	−0.3	6.7	30.9.82	NA
339	(477)	Hachette	FRA	245.9	32	172	1,131.2	1,025.3	10.3	54.1	16.0	184.7	36.7	31.12.82	12,200
340	(385)	Kali-Chemie	GER	245.6	42	253	525.6	584.3	−10.0	22.7	16.8	43.7	16.1	31.12.82	8,813*
341	(270)	Gotthard Bank	SWI	245.0	62	—	NR	NR	—	16.9	16.2	2.6	12.0†	31.12.82	612
342	(—)	Emp. Nacional de Elect.	SPA	244.0	55	—	NA	NA	—	86.5	NA	—	NA	31.12.82	NA
343	(311)	Bank of Scotland	UK	243.2	62	—	NR	NR	—	71.8	73.4	−2.1	15.4†	28.2.83	9,611
344	(286)	Lech-Elektrizitaets-Werke	GER	242.1	56	304	332.8	294.2	13.1	41.6	33.2	25.2	16.8	30.6.82	1,751*
345	(167)	Brown, Boveri	GER	240.9	04	114	1,866.6	1,850.6	0.9	27.2	35.7	−23.8	2.3	31.12.83	36,922
346	(288)	IMI	UK	239.4	08	194	980.2	825.0	18.8	34.0	36.9	−7.8	12.4	31.12.82	24,050
347	(330)	Jelmoli	SWI	237.3	34	246	585.2	572.9	2.1	36.9	27.7	−2.3	17.2	31.12.82	NA
348	(—)	Bulmer, H. P. Holdings	UK	237.1	22	341	138.5	110.9	25.3	20.8	11.8	77.2	35.8	29.4.83	1,873*
349	(315)	Legrand	FRA	236.8	04	290	370.8	322.9	14.8	34.9	32.7	6.7	21.9	31.12.82	4,819
350	(250)	Costain Group	UK	234.4	03	267	858.4	779.3	10.1	62.6	74.4	−15.9	17.2	31.12.82	4,576
351	(387)	Mercury Securities	UK	234.3	68	—	NR	NR	—	27.3	27.8	−0.9	NR	21.3.83	1,182*
352	(307)	Greenall Whitley	UK	233.4	22	300	351.1	302.0	16.3	32.1	34.0	−8.0	10.9	1.10.82	11,835
353	(499)	Hoesch	GER	233.3	08	69	2,916.3	NR	—	22.0	NR	—	6.8	31.12.82	33,200*§
354	(434)	Lahmeyer	GER	232.8	56	356	80.7	69.1	16.8	17.0	14.6	16.9	18.8	30.6.82	567*
355	(352)	Carless Capel and Leonard	UK	231.7	51	343	126.8	116.0	6.3	4.2	2.8	59.5	7.5	31.3.83	386
356	(342)	Colonia Versich.	GER	231.4	66	—	NR	NR	—	18.8	14.2	38.7	NR	21.12.82	5,191*
357	(289)	Stock Conversion	UK	229.0	89	—	NR	NR	—	22.5	21.9	2.7	6.4	31.3.83	199
358	(—)	Mills and Allen International	UK	227.6	12	—	NR	NR	—	19.9	17.9	0.7	75.4	30.6.82	1,020
359	(—)	AMEC	UK	227.1	03	280	408.3	380.5	7.3	27.6	20.8	32.8	17.5	31.12.82	NA*
360	(467)	Security Services	UK	226.8	12	306	318.7	282.4	12.8	14.6	12.3	18.8	29.3	24.9.82	19,453
361	(261)	Gruppo Lepetit	ITA	224.7	27	340	154.1	133.8	15.1	8.8	13.2	−28.1	NA	31.12.82	NA
362	(411)	Swedish Match	SWE	224.6	33	192	985.8	894.8	10.5	27.8	12.8	116.3	16.0	31.12.82	19,000
363	(359)	Beghin-Say	FRA	224.1	25	147	1,404.9	1,137.8	23.5	11.8	15.8	−25.6	22.9	31.12.82	6,482
364	(444)	Linfood Holdings	UK	223.0	26	146	1,410.1	1,609.4	−12.4	25.3	18.5	42.4	24.3	30.4.83	11,624
365	(300)	UEI	UK	221.2	04	360	92.6	46.9	97.6	14.6	6.5	123.9	33.6	31.1.83	1,788
366	(329)	London Merchant Securities	UK	221.1	69	—	NR	NR	—	12.2	15.5	−21.2	6.8	31.3.83	200
367	(412)	Italcementi	ITA	221.8	2	233	633.1	565.6	11.0	13.1	11.3	16.8	NA	31.12.82	4,125
368	(323)	Thomson-CSF	FRA	220.4	04	58	3,551.1	3,271.8	8.5	(280.2)	6.3	—	nil	31.12.82	40,148
369	(361)	Grunzweig Hartmann	GER	220.0	6	330	188.8	198.2	−4.7	8.1	14.3	−43.4	7.8	31.12.82	2,364*
370	(339)	Dawson International	UK	217.8	35	326	216.4	237.8	−9.4	31.1	36.6	−15.1	23.7	31.3.83	6,009
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
425	(389)	Capital and Counties	UK	185.9	89	—	NR	NR	—	11.8	11.7	1.3	8.7	25.3.83	386
426	(—)	Kvaerner Industrier	NOR	185.5	6	238	617.7	513.7	20.2	48.6	22.0	121.1	26.8	31.12.82	8,939
427	(—)	Wartsila	FIN	184.7	6	225	698.1	552.7	26.3	61.4	25.3	102.9	33.4	31.12.82	16,891
428	(393)	Kone Corporation	FIN	184.3	6	248	575.4	399.7	44.0	24.6	15.3	61.2	28.6	31.12.82	12,913
429	(395)	Town and City Properties	UK	183.9	89	—	NR	NR	—	13.4	(4.6)	—	7.4	24.3.83	2.9 g
430	(—)	Wolseley-Hughes	UK	183.8	11	302	345.0	277.1	24.5	17.3	12.4	39.8	20.7	31.7.82	4,792
431	(—)	LRC International	UK	183.6	27	325	223.2	183.5	21.6	18.9	14.8	35.6	22.3	21.3.83	6,603
432	(426)	APV Holdings	UK	182.3	6	255	525.2	454.1	15.7	27.3	25.4	7.3	19.3	31.12.82	10,414
433	(405)	Dixons Group	UK	182.2	34	279	415.9	389.4	6.8	21.7	19.4	12.1	17.6	30.4.83	3,639
434	(280)	Hambros	UK	180.2	68	—	NR	NR	—	15.4	18.2	−15.7	NR	31.3.83	1,670*
435	(389)	Banque Bruxelles Lambert	BEL	179.5	62	—	NR	NR	—	27.8	21.8	28.0	NA	30.9.82	11,507*
436	(488)	Electrobel	BEL	179.0	3	—	NR	NR	—	25.6	8.3	208.8	18.8	31.12.82	NA*
437	(445)	Gill and Duffus	UK	175.7	91	132	1,558.7	1,377.4	13.2	20.0	19.8	0.9	17.5	31.12.82	2,400
438	(—)	Polly Peck (Holdings)	UK	175.2	11	365	32.7	10.0	226.0	14.0	3.3	329.7	242.9	28.8.82	145*
439	(483)	Diploma	UK	174.8	4	356	75.2	73.2	2.8	19.4	8.0	28.8	20.1	30.6.82	1,150
440	(396)	Franco Tosi	ITA	174.5	6	—	NA	NA	—	7.0	0.2	3096.5	NA	30.6.82	NA
441	(427)	Jefferson Smurfit Group	IRE	174.1	33	237	620.5	608.9	1.8	17.6	26.5	−33.4	9.2	31.1.83	10,046
442	(380)	Lesieur	FRA	173.6	25	208	890.3	779.1	14.3	33.8	34.9	−4.0	26.1	31.12.82	8,409
443	(441)	Sofina	BEL	173.3	55	306	321.6	291.6	10.3	17.8	14.0	21.4	NA	31.12.82	NA
444	(264)	Banco Popular	SPA	172.7	62	—	NR	NR	—	53.4	49.8	7.8	NA	31.12.82	NA
445	(—)	Gelsenwasser	GER	172.2	55	331	184.1	163.5	12.8	22.4	16.3	37.3	12.2	21.12.82	1,416*
446	(355)	Bofors	SWE	171.8	08	250	545.0	486.4	12.0	24.9	25.1	−0.8	12.0	31.12.82	12,013
447	(428)	GB-Inno-BM	BEL	170.4	34	94	2,213.6	2,065.0	6.7	18.7	16.7	12.1	—	31.1.83	12,763
448	(—)	Feldschloess	SWI	170.1	22	348	109.9	NA	—	2.9	NA	—	NA	31.12.82	NA
449	(373)	Simon Engineering	UK	169.7	05	249	561.8	526.4	6.7	32.0	31.8	1.6	18.8	31.12.82	7,674
450	(392)	Croda International	UK	168.7	42	266	475.8	430.3	10.6	23.3	15.7	48.5	14.6	26.12.82	6,214
451	(—)	Elsevier-NDU	NET	168.7	33	273	452.5	467.2	−3.1	26.0	21.1	23.3	21.8	31.12.82	7,206
452	(393)	CKW	SWI	167.7	55	338	160.0	NA	—	4.2	NA	—	NA	31.12.82	NA
453	(—)	Sound Diffusion	UK	167.9	94	371	14.0	10.5	33.3	5.0	2.5	104.9	29.1	31.12.82	301
454	(321)	Roussel Uclaf	FRA	166.9	42	198	966.2	820.2	17.8	35.7	29.2	22.3	28.1	31.12.82	9,962
455	(479)	AGIV	GER	166.6	11	398	28.8	28.3	1.8	11.2	12.1	−7.1	11.2	31.12.82	NA*
456	(457)	Boddingtons Breweries	UK	165.5	22	358	56.5	45.4	51.6	13.3	0.7	37.6	25.8	31.12.82	1,956
457	(—)	London Brick	UK	166.3	02	328	213.9	196.9	8.2	23.7	17.3	37.4	22.5	31.12.82	7,036
458	(421)	Booker McConnell	UK	164.8	11	179	1,499.8	1,445.3	3.8	29.4	26.8	6.8	18.3	31.12.82	18,824
459	(285)	Vickers	UK	164.7	06	189	1,016.6	935.2	8.7	30.4	38.1	−20.3	12.1	31.12.82	24,126
460	(407)	Ennia	NET	163.5	66	—	NR	NR	—	42.0	52.2	−19.4	NR	31.12.82	4,056
461	(453)	Albingia Versicherung	GER	163.2	66	—	NR	NR	—	15.4	14.4	6.8	NR	31.12.82	2,113*
462	(—)	Fitch Lovell	UK	161.7	26	158	1,246.0	1,145.8	8.7	22.6	16.0	41.4	21.0	30.4.83	15,023
463	(478)	Chubb and Son	UK	161.2	12	263	482.7	429.8	12.7	21.9	14.5	50.9	16.8	21.3.83	16,215
464	(—)	Automated Security Holdings	UK	160.4	12	367	31.9	27.2	13.7	5.0	3.6	39.1	22.0	30.11.82	1,142*
465	(473)	Wereldhave	NET	160.1	69	—	NR	NR	—	10.8	9.3	16.2	8.8	31.12.82	n/a
466	(500)	Charterhouse Petroleum	UK	159.5	51	368	31.8	26.8	19.7	15.9	16.1	−1.8	24.5	31.12.82	46
467	(474)	Ratos Forvaltning	SWE	158.5	70	307	315.6	271.6	16.2	17.7	14.5	22.3	16.3	31.12.82	2,870
468	(—)	Associated Newspapers Holdg.	UK	158.0	32	281	406.1	355.6	14.2	17.9	26.2	−28.7	11.4	30.9.82	10,940
469	(—)	Bols	NET	157.8	22	317	267.6	275.4	−2.8	24.0	21.2	13.1	20.9	31.12.82	1,704
470	(372)	Portals Holdings	UK	157.1	11	323	243.2	222.2	9.4	22.8	20.6	11.1	16.1	31.12.82	4,389
471	(435)	Tractionel	BEL	156.5	05	329	197.2	185.4	6.4	43.8	30.0	46.0	18.1	21.12.82	1,306*
472	(440)	Gevaert Photo.	BEL	155.8	42	—	NR	NR	—	22.1	13.9	59.0	n/a	31.12.82	n/a
473	(370)	Heath, C. E.	UK	155.3	67	—	NR	NR	—	30.3	26.4	14.7	41.2	31.3.83	1,110
474	(—)	Oceonics	UK	154.7	51	364	48.2	32.9	46.4	8.4	6.7	24.6	73.5	31.3.83	n/a*
475	(390)	Auxiliare d'Enterprises	FRA	154.3	03	171	1,149.1	847.2	35.6	47.8	41.0	16.6	47.5	31.12.82	n/a
476	(—)	Securicor Group	UK	154.2	12	292	368.2	301.6	22.1	17.7	14.4	22.4	26.6	24.9.82	20,240
477	(—)	Schindler	SWI	153.9	6	211	786.5	703.1	11.9	37.2	25.6	45.6	11.3	31.12.82	21,575*
478	(—)	Delhaize	BEL	151.6	25	89	2,380.3	1,768.0	34.6	41.9	39.7	5.6	27.2	21.12.82	9,932
479	(—)	Hoogovens	NET	151.1	08	104	2,081.2	NA	—	(50.7)	NA	—	4.2	31.12.82	29,785*
480	(358)	Finextel	FRA	151.0	70	—	NR	NR	—	27.2	27.8	−2.3	21.4†	31.12.82	26
481	(—)	Superdrug Stores	UK	150.4	34	344	126.8	97.8	28.8	8.2	5.8	20.2	31.7	28.2.83	2,699
482	(466)	Bail Investissement	FRA	149.8	69	383	49.0	42.2	16.1	15.8	13.9	13.9	27.6†	31.12.82	35*
483	(379)	Dunlop Holdings	UK	149.5	09	81	2,382.8	2,255.9	4.7	(10.8)	0.0	—	3.7	31.12.82	59,000
484	(348)	Minet Holdings	UK	149.0	67	—	NR	NR	—	27.6	22.9	20.6	40.7	31.12.82	2,657
485	(—)	Cambridge Electronic Industs.	UK	147.2	0	342	129.9	119.0	9.1	11.6	8.2	27.2	20.3	31.12.82	5,000
486	(—)	Spirax-Sarco Engineering	UK	146.8	0	357	74.1	66.4	11.7	13.2	11.4	15.6	24.1	31.12.82	2,157
487	(282)	Sevillana de Electric	SPA	146.0	55	—	NA	NR	—	39.6	34.8	13.7	NA	21.12.82	NA
488	(485)	TI Group	UK	145.0	6	180	1,374.6	1,305.7	5.3	7.3	(1.4)	—	7.8	31.12.82	32,000*§
489	(463)	Wolverhampton and Dudley	UK	145.9	22	345	125.4	113.9	10.1	17.6	16.8	11.9	24.4	30.9.82	5,743
490	(—)	DLW	GER	145.7	2	316	276.0	286.0	−3.8	17.6	15.6	12.7	12.4	31.12.82	4,311*
491	(462)	Powell Duffryn	UK	145.5	11	212	786.1	773.3	1.7	30.1	18.4	3.5	12.8	31.3.83	7,688
492	(—)	Breda	ITA	145.2	6	—	—	—	—	—	—	—	—	—	—*
493	(—)	Britannia Arrow Holdings	UK	144.8	70	—	NR	NR	—	9.3	6.5	44.7	16.1	31.12.82	455
494	(—)	Oika	SWI	144.7	42	314	282.2	200.1	41.0	15.2	13.6	10.0	NA	21.12.82	4,330
495	(406)	Reume-Repola	FIN	144.2	11	182	1,086.6	804.6	32.6	(5.3)	(10.3)	—	10.7	31.12.82	18,019
496	(—)	Eurotherm International	UK	143.1	4	382	54.9	42.8	28.4	7.1	5.1	40.1	39.2	31.10.82	1,258
497	(—)	Rinascente	ITA	143.0	34	201	947.2	807.6	17.3	21.2	17.2	23.7	NA	31.12.82	13,506
498	(464)	Telemecanique	FRA	143.0	4	260	604.5	449.2	12.3	25.0	14.7	69.6	24.3	31.12.82	8,717
499	(—)	Electra de Viesgo	SPA	142.9	55	—	NA	NA	—	12.4	NA	—	NA	31.12.82	NA
500	(432)	Nurdin and Peacock	UK	141.8	26	220	716.6	620.3	15.5	17.8	15.6	12.3	30.3	1.1.83	2,201

Europe's rising stars

THE MOST sparkling performances on the European FT 500 this year have been put on by stocks quoted on the Netherlands and Swedish stock exchanges. The Dutch guilder has been relatively strong over the period, and investment interest from the U.S. has been an important factor.

By contrast, the Swedish krona has been quite sharply devalued against the dollar. However, with investment interest strong from both the U.S. and the UK, a range of excellent companies on the local exchange and a powerful profits trend, the market has soared even in dollar terms by 148 per cent on the Capital International index, which is compiled by the Geneva-based international stock market analysts.

Among the sharpest falls in the year to June on the FT 500 list have been seen by the Spanish banks.

Spain's stock market has been a poor performer in the period, while the peseta fell heavily against the dollar. Add to that a banking crisis as the Government stepped in to take over parts of the Rumasa empire, and disenchantment with the Spanish banks as an investment medium is not surprising.

The Spanish peseta has fallen by 19 per cent against the dollar in the period, and in dollar terms the Capital International index has fallen by 2 per cent. The banks have fallen far more than this. The banking system in Spain has traditionally been powerful, and the Socialist victory last year raised the fear that a lot of the banks' economic power would be removed by the Government.

At the same time the many banks found themselves facing liquidity problems as a result of their exposure to an industrial sector hit hard by the sluggish performance of the economy. Among the casualties in the period was the Banco Urquijo, which had to be rescued.

The share price of Banco Hispano Americano fell from Pta 268 to Pta 220, which means that in terms of market capitalisation it has dropped from 75th place in the European 500 to 182nd.

Another major bank, Banco Central, has seen its share price fall from Pta 270 to Pta 240 and its place in the FT 500 down from 76th to 145th.

Similar drops figure right through the sector: Banco Espanol de Credito is down from 90th place to 157th, and Banco de Bilbao from 110th to 257th. Several banks have dropped out of the list altogether, such as Banco Atlantico and Banco Pastor.

The Dutch market has been one of the sleepiest until the last two years or so, and even after recent strong rises remains rather cheap. The newly-formed European stock broker, Carnegie International, estimates that the stock market is on a price to cash earnings multiple of about 3½, which compares with about 4.2 times in West Germany.

Over the year to June, the Capital International index for the Netherlands market rose by 63 per cent in dollar terms, with very little change in the Guilder/dollar exchange rate.

But there was a sharp divergence in performance, with stocks that found popularity with U.S. investors rising by much more than this. A good example is Heineken, whose share price rose by 122 per cent as Americans responded to its strong showing in U.S. markets and began to compare it in terms of rating with the big U.S. brewers.

Heineken's profits are showing solid growth, with a 33 per cent gain in 1982 likely to be followed by an 18 per cent improvement this year. Its market value has risen from $316m to $744.6m and it has moved up from 219th to 123rd in the FT 500.

Another Dutch stock to have moved strongly up the list is the chemicals and fibres group Akzo.

Again, U.S. interest has been a material factor, with investment enthusiasm stirred by the prospect of cyclical recovery in the European chemicals sector. Carnegie expects Akzo's profits to more or less double this year to Fl 10½ a share. The share price has moved up by 133 per cent in the period, whipping the company up from 265th in the FT 500 list to 131st.

The Swedish krona fell by 18¼ per cent against the dollar in the year to June, but international investment interest—from the U.S., the UK and other parts of the world—has seized on this market above any other in this period.

This is because so many of the companies quoted on the local stock exchange fulfil the requirements of the international investment community. Swedish companies have only a small home base, so to grow they have had to develop product lines that are internationally marketed and accepted. As investment managers become more internationally minded, the lowly-rated Swedish market has emerged as a natural target for purchases.

Among the fastest moving shares have been those of Pharmacia, up from Kr 80 to Kr 360, and Ericsson, up from Kr 140 to Kr 442. One company rising rapidly through the ranks of the FT 500 is ASEA, whose strengths in heavy electricals and robotics are now being appreciated. The share price has moved up from Kr 80 to Kr 350, pushing the stock up from 133rd place in the FT 500 list to 43rd place.

Another fast mover has been Aga, the Swedish BOC, which has risen from 360th in the list to 228th.

DAVID FREUD

FOOTNOTES FOR COMPANIES LISTED ON THIS PAGE

Footnotes 302-492: 302 Laporte Industries, turnover excludes amount relating to property sales. 305 KKB, parent company accounts. 307 Arthur Bell, turnover includes duty. 312 Hill Samuel Group, profit after tax before extraordinary items. 313 Kleinwort Benson Lonsdale, disclosed profit after tax and after transfer to inner reserves, out of which reserves provision has been made for diminution of value of assets. 318 Kraftwerk Laufenburg, parent company accounts. 325 Rheinelektra, parent company accounts. 331 Lyonnaise Eaux, previous year's figures restated by company. 332 Pirelli International, net profit. 333 Woolworth Holdings, acquired entire share capital of F. W. Woolworth on April 6 1983, figures are pro forma results consolidating results of F. W. Woolworth and subsidiaries for the year to January 29 1983 and those of Woolworth Holdings for the period September 16 1982 to January 29 1983 adjusted to provide estimated annualised results. 335 BIC, ROCE=profit before tax/cap. emp. 337 Rothmans Int, turnover net of VAT but includes duty, excise and other sales taxes. 340 Kali-Chemie, group turnover, parent company profit. 344 Lech-Elekt, parent company accounts. 348 H. P. Bulmer, turnover excludes duty. 351 Mercury Securities, profit after tax. 353 Hoesch, domestic consolidation, no previous year's figures available as this is first year of Hoesch's independence from Estel-Hoesch. 354 Lahmeyer, parent company accounts. 356 Colonia Versich, parent company accounts. 359 Amec, company incorporated November 2 1982 to effect combination of Fairclough and William Press, although statutory accounts are not required until December 31 1983, modified accounts have been published. 369 Grunzweig Hartmann, parent company accounts. 373 Pohjola, consolidated account excluding results of Suomi-Salama Mutual and Eurooppalainen. 374 KLM, profit is net income as no corporate tax is due and no provision for tax is made. 376 Credit Foncier, non-consolidated accounts. 378 Meyer Int, incorporated June 29 1982 to effect merger between International Timber and Montague L. Meyer, previous year's figures are restated on a pro forma basis as if merger had taken place April 1981. 386 Marley, year end changed from October therefore this year's results are for 14 months. 387 Cit Alcatel, profit is net of tax. 391 Equity and Law Life, profit after tax, before revaluation of assets. 393 Baloise Ins, net profit, 397 Dumez, profit is net of tax. 399 Landis and Gyr, loss/profit is net of tax. 402 Savoy Hotel, turnover now includes all service charges and theatre rentals, previous year's figures restated to reflect this change in accounting policy. 404 Havas, Agence, ROCE=pre-tax profit/cap. emp. 406 Machines Bull, consolidated pre-tax loss, no consolidated figure available for previous year. 416 Helvetia, figures relate to Helvetia fouer, profit for Helvetia Unfall was $7.2m this year and $7.7m the previous year. Employees at the year end numbered 1,789. 419 Sulzer, profit is net of tax. 420 Hamilton Oil, turnover is gross. 434 Hambros, operating profit after tax, before minority interests. 435 BBL, net profit. 436 Electrobel, non-consolidated accounts, previous year's figures for 18 months to December 31 1981. 438 Polly Peck, previous year's figures for period March 20 1980 to August 31 1981. 445 Gelsenwasser, domestic consolidation. 455 AGIV, domestic consolidation. 461 Albing, parent company accounts. 464 Automated Security, turnover includes invoiced value of rentals adjusted for prepayments net of VAT. 474 Oceonics, previous year's figures restated to include results of Geomex and Intersite Group. 477 Schindler, ROCE=profit before tax/cap. emp. 478 Hoogovens, no figures for previous year as this is first year after dissolution of Estel/Hoesch and restructure of group. 482 Bail Investissement, non-consolidated accounts. 489 TI Group, previous year's figures restated to exclude results of British Aluminium. 490 DLW, domestic consolidation. 492 Breda, no figures available.

The European top hundred by turnover

Rank	Company	Turnover $m	Cntry	Sector	Year end
1	Royal Dutch/Shell	86,142.0	NET/UK	51	31.12.82
2	British Petroleum	45,453.2	UK	51	31.12.82
3	ENI	27,763.7	ITA	51	31.12.82
4	IRI	25,012.1	ITA	11	31.12.82
5	Veba	19,829.1	GER	11	31.12.82
6	Unilever NV/plc	19,577.2	NET/UK	25	31.12.82
7	Bat Industries	17,536.1	UK	36	31.12.82
8	Francaise Des Petroles	17,175.5	FRA	51	21.12.82
9	Siemens	15,737.6	GER	4	30.9.82
10	Daimler-Benz	15,266.3	GER	9	31.12.82
11	Philips	15,055.4	NET	4	31.12.82
12	Elf Aquitaine	14,971.0	FRA	51	31.12.82
13	Volkswagen	14,689.1	GER	9	31.12.82
14	Hoechst	13,728.5	GER	42	31.12.82
15	BASF	13,672.8	GER	42	31.12.82
16	Bayer	13,668.9	GER	42	31.12.82
17	Fiat	13,657.7	ITA	9	31.12.82
18	Renault	13,574.6	FRA	9	31.12.82
19	Electricity Council	13,240.2	UK	55	31.3.83
20	Nestle	13,098.9	SWI	25	31.12.82
21	Thyssen	12,011.4	GER	8	30.9.82
22	Electricite de France	11,431.1	FRA	55	31.12.82
23	Imperial Chemical Inds.	11,400.5	UK	42	31.12.82
24	Deutsche Bundesbahn	10,437.8	GER	55	31.12.82
25	Volvo	9,914.3	SWE	9	31.12.82

ICI GLAXO OPERATIONS UK LIMITED U BP GEC SIEMENS SBG UBS Shell Nestlé Mercedes

It is not only in France that government ownership looms large. More than a third of the companies in the top 100 are partly or wholly-owned by governments. In most countries, governments are involved mainly in oil and utilities; their only major foray into heavy industry has been a reluctant one; in most cases, into steel.

Rank	Company	Turnover $m	Cntry	Sector	Year end
26	British Telecom	9,880.5	UK	55	31.3.83
37	Peugeot	9,814.2	FRA	9	31.12.82
28	Petrofina	9,420.7	BEL	51	31.12.82
29	Nederlandse Gasunie	9,350.3	NET	51	31.12.82
30	OIAG	9,330.4	AUS	11	31.12.82
31	British Gas	9,231.3	UK	51	31.3.83
32	R.W.E.	9,170.8	GER	55	30.6.82
33	AGIP	8,674.6	ITA	51	31.12.82
34	Generale d'Electricite	8,580.3	FRA	55	31.12.82
35	Esso AG	8,153.3	GER	51	31.12.82
36	Campsa	7,643.4	SPA	51	31.12.82
37	National Coal Board	7,641.6	UK	55	26.3.83
38	Esso Petroleum	7,556.0	UK	51	31.12.82
39	Deutsche BP	7,516.0	GER	51	31.12.82
40	General Electric Company	7,167.5	UK	4	31.3.83
41	Imperial Group	7,149.4	UK	36	31.10.82
42	Ruhrkohle	6,904.6	GER	55	31.12.82
43	Deutsche Shell	6,902.2	GER	51	31.12.82
44	SNCF	6,721.2	FRA	55	31.12.82
45	Saint Gobain	6,695.9	FRA	11	31.12.82
46	INH	6,591.3	SPA	51	31.12.82
47	Krupp, Fried.	6,560.9	GER	8	31.12.82
48	Ciba-Geigy	6,538.1	SWI	42	31.12.82
49	Mannesmann	6,462.4	GER	8	31.12.82
50	DSM	6,364.9	NET	42	31.12.82
51	Thomson-Brandt	6,122.9	FRA	4	31.12.82
52	GHH	5,993.9	GER	6	30.6.82
53	Montedison	5,974.2	ITA	42	31.12.82
54	Grand Metropolitan	5,962.9	UK	22	30.9.82
55	Shell Francais	5,835.9	FRA	51	31.12.82

Rank	Company	Turnover $m	Cntry	Sector	Year end
56	Rio Tinto-Zinc Corporation	5,702.4	UK	81	31.12.82
57	Ruhrgas	5,528.9	GER	51	31.12.82
58	Bosch, Robert	5,419.8	GER	4	31.12.82
59	Weston, George	5,231.1	UK	25	2.4.82
60	Associated British Foods	5,214.8	UK	25	2.4.83
61	AEG Telefunken	5,202.0	GER	4	31.12.82
62	Empain-Schneider	5,122.0	FRA	8	31.12.82
63	Ford Motor Company	5,092.9	UK	9	31.12.82
64	Stet	5,044.8	ITA	4	31.12.82
65	British Steel	5,006.1	UK	8	2.4.83
66	Opel, Adam	4,997.1	GER	9	31.12.82
67	AKZO	4,956.2	NET	42	31.12.82
68	Rothmans International	4,888.3	UK	36	31.3.83
69	Rhone-Poulenc	4,850.4	FRA	42	31.12.82
70	Esso Francaise	4,825.6	FRA	51	31.12.82
71	BL	4,759.6	UK	9	31.12.82
72	Deutsche Mobil	4,630.3	GER	51	31.12.82
73	Ford Werke	4,600.5	GER	9	31.12.82
74	Brown Boveri	4,593.4	SWI	4	31.12.82
75	BMW	4,559.7	GER	9	31.12.82
76	Gaz de France	4,542.2	FRA	51	31.12.82
77	Michelin	4,507.6	FRA	9	31.12.82
78	Preussag	4,408.2	GER	11	31.12.82
79	Migros	4,307.5	SWI	26	31.12.82
80	Karstadt	4,296.0	GER	34	31.12.82
81	Berisford S. and W.	4,228.6	UK	25	30.9.82
82	Thorn EMI	4,205.9	UK	4	31.3.83
83	Electrolux	4,150.8	SWE	39	31.12.82
84	Post Office	4,104.4	UK	55	30.3.83
85	Allied-Lyons	4,095.2	UK	22	5.3.83
86	Dalgety	3,954.1	UK	25	30.6.82
87	Marks and Spencer	3,882.0	UK	34	31.3.83
88	British Airways	3,868.9	UK	15	31.3.83
89	Metallgesellschaft	3,822.4	GER	8	30.9.82
90	Carrefour	3,796.6	FRA	34	31.12.82
91	Pechiney Ugine Kuhlmann	3,785.8	FRA	11	31.12.82
92	Co-Op Zentrale	3,757.2	GER	25	31.12.82
93	Sainsbury J.	3,693.2	UK	26	26.3.83
94	Sacilor	3,691.5	FRA	8	31.12.82
95	SIP	3,688.2	ITA	55	31.12.82
96	Salzgitter	3,685.0	GER	8	30.9.82
97	Enpetrol	3,644.8	SPA	51	31.12.82
98	Lonrho	3,619.6	UK	91	30.9.82
99	IBM Deutschland	3,584.6	GER	4	31.12.82
100	Thomson-CSF	3,551.1	FRA	4	31.12.82

W. Germany and UK set the pace

OIL COMPANIES continue to occupy the commanding heights of European industry. Of the top five companies in Western Europe measured by turnover, four are oil production and distribution companies, and the largest company on the list, Royal Dutch/Shell, is so far ahead of the runner-up, British Petroleum, that it might well be counted twice.

Below this level, the oil, gas and chemical companies maintain their dominance. Nearly a third of the top 100 in Europe specialise in these sectors. Other well-represented groups are industrial holding companies, automobile manufacturers and retailers.

By IAN RODGER

West Germany and Britain have many more large companies than other European countries. In the top 100, 30 are German and 28 are British. By contrast, Italy contributes only seven to the list, and if the subsidaries of ENI and IRI are taken out, only four—proof, if any were needed, that it is not necessary to have huge companies in order to have a strong *industrial base. Spain has only* three entries, and all of them are part of the INH state oil group.

France has a respectable 19 companies in the top 100 and, reflecting in part the early thrust of the present Socialist Government, 13 of them are Government-owned.

But it is not only in France that government ownership looms large. More than a third of the companies in the top 100 are partly or wholly owned by Governments. In most countries, Governments are involved mainly in oil and utilities; their only significant foray into heavy industry has been a reluctant one, in most cases, into steel-making.

Thus, IRI, whose largest subsidiary is Finsider, OIAG of Austria, which owns Voest-Alpine, the British Steel Corporation, Salzgitter of West Ger*many and Sacilor of France* all appear in the top 100.

Looking at the British and German industrial companies, it emerges that most of the German groups are in heavy manufacturing and appear in the top half of the list, while most of the British are in light consumer products or retailing and tend to appear in the bottom half of the list.

Among the leading German companies, for example, are Siemens, the electrical products group, Daimler-Benz, the automobile manufacturer, and Hoechst, BASF and Bayer, the leading chemical groups. Others in the top 50 include the steel and engineering groups, Thyssen and Krupp, and the diversified industrial holding companies, Mannesmann and GHH.

By contrast, the only British companies to appear in the top 50, *apart from oil companies* and utilites, are the tobacco groups, BAT Industries and Imperial Group, Imperial Chemical Industries and the General Electric Company.

In the bottom half of the list, the British figure strongly, with names such as Grand Metropolitan, George Weston, Rothmans, Allied-Lyons, Marks and Spencer and J. Sainsbury.

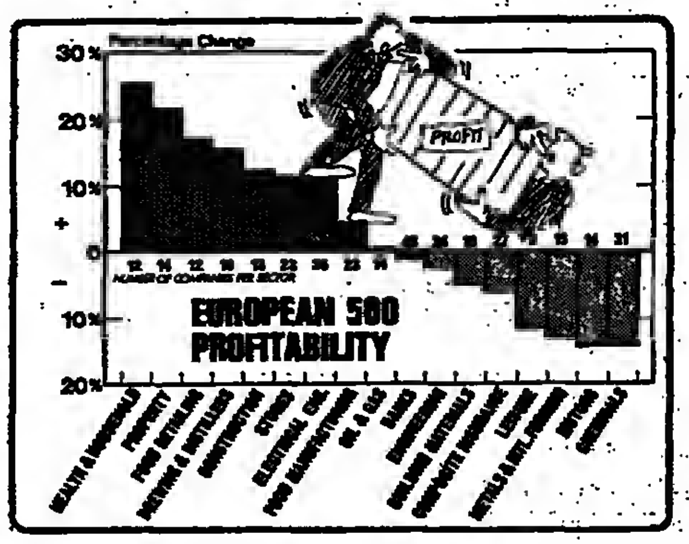
Many retailers in other countries also make the list, including the Swiss Migros supermarket group, the French Carrefour supermarkets group and the German stores groups, Karstadt and Co-op Zentrale.

Because the list is based on turnover, it tends to favour companies in industries, such as retailing, that move large volumes quickly on low margins. This also explains the presence of the metals trading group, Preussag of Germany and the commodities group, S and W Berisford of Britain.

Recession

Looking below the 100th company, it becomes clear that the British representation would have been stronger before recession ravaged the country's manufacturing industries. Courtaulds with turnover of $2.9bn *ranks 120th.* Three years ago, with turnover of more than $3.5bn in dollar terms, it would almost certainly have been in the top 100.

Similarly, Guest Keen and Nettlefolds at 121, has seen its turnover fall from over $4bn to under $3bn since 1980 and TI Group's sales have roughly halved in dollar terms since 1980 to about $1.4bn last year.



THE FT EUROPEAN 500's TOP MONEY LOSERS

	Company	Country	FT 500 ranking	Loss
1.	Montedison	Italy	163	$569.7m
2.	Michelin	France	227	$519.1m
3.	Peugeot	France	301	$300.4m
4.	Thomson-CSF	France	368	$260.3m
5.	Alusuisse	Switzerland	170	$84.4m
6.	Machines Bull	France	406	$53.3m
7.	Hoogovens	Netherland	479	$50.7m
8.	BSR	UK	317	$26.9m
9.	British Aerospace	UK	144	$23.7m
10.	AEG Telefunken	W. Germany	240	$19.6m

BIGGEST PROFIT INCREASES

	Company	Country	FT 500 rank	Sector	Profit increase
1.	Franco Tosi	It	439	06	3,096.8
2.	Meyer Internatl.	UK	378	02	2,433.1
3.	Contntl. Gummi	Ger	396	09	378.8
4.	Kemanobel	SK	268	42	358.1
5.	Billerud Uddeholm	SK	278	33	338.6
6.	Polly Peck	UK	438	11	329.7
7.	STET	It	77	64	258.0
8.	Mercantile House	UK	211	70	210.5
9.	Electrobel	Bel	436	03	208.0
10.	Solvay et Cie	Bel	118	42	169.4

BIGGEST PROFIT DECREASES

	Company	Country	FT 500 Rank	Sector	Profit Decrease %
1.	Boliden	Swe	208	08	−92.2
2.	VW	Ger	44	09	−82.6
3.	Metallgesellschaft	Ger	210	08	−77.3
4.	Commercial Union	UK	85	66	−76.0
5.	Horten	Ger	291	34	−61.8
6.	Esso Francaise	Fr	139	51	−60.2
7.	Ocean Transport	UK	395	45	−58.4
8.	General Accident	UK	81	66	−57.6
9.	Mediobanca	It	166	62	−56.8
10.	Lafarge Coppee	Fr	288	03	−55.8

A-Z list of European Top 500

COMPANY	RANKING	COMPANY	RANKING	COMPANY	RANKING	COMPANY	RANKING	COMPANY	RANKING	COMPANY	RANKING
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

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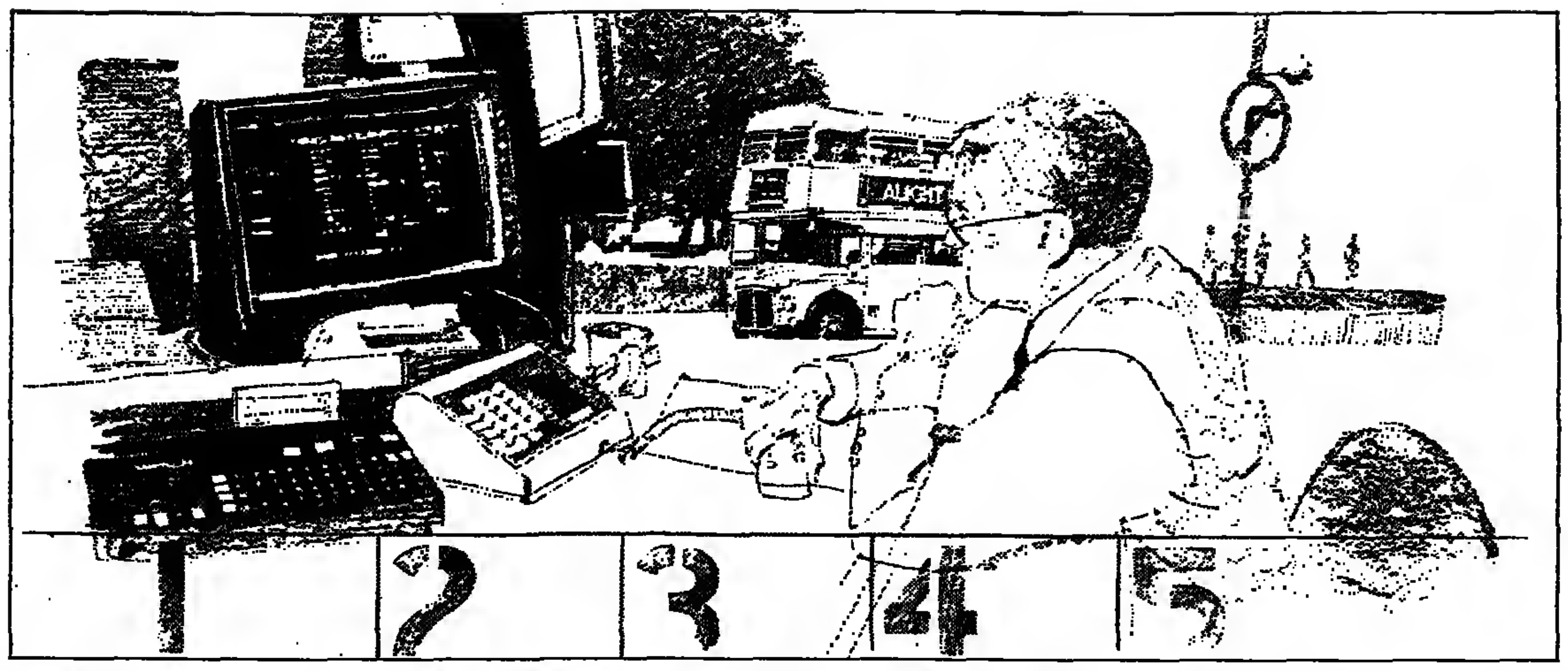

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More signs of recovery

THE LONG-AWAITED recovery in British industrial profits is finally underway. The FT 500 companies show a cumulative growth in pre-tax profits this year of nearly 4 per cent, with companies reporting increasingly stronger profit increases during the course of the year.

Encouragingly, the momentum of rising earnings is now much more broadly based. Traditionally cyclical industries, such as chemicals and construction, are now beginning to present their shareholders with the sort of profit and dividend increases which last year seemed the exclusive preserve of consumer-related groups and the high flying electrical sector.

Meanwhile, oil companies and the financial group, are also starting to show an improvement from what was in many cases a precipitous fall in earnings during 1982.

The broadening of the base of profits growth, coupled with the generally sound condition of corporate balance sheets have produced some marked shifts in sector valuations. Those sectors which had been preferred during 1982 for their resistance to recessionary pressures have recently been perceived as over-valued in relation to companies which can be expected to show strong cyclical earnings recovery.

By JOHN MAKINSON

The broadening of the base of profits growth, coupled with the generally sound condition of corporate balance sheets, have produced some marked shifts in sector valuations on the equity market.

It seems paradoxical, for example, that the electricals group, which as the chart on Page VIII illustrates, is still showing the fastest profits growth of any sector, has been the only section of the market to show a negative overall return in the past 12 months. Relative to the FT-A All-Share Index, it has fallen by more than a quarter.

Yet the performance of electricals helps, in microcosm, to explain the overall trend of the year's FT 500. Those sectors which had been preferred during 1982 for their resistance to recessionary pressures have recently been perceived as overvalued in relation to companies which can be expected to show strong cyclical earnings recovery.

One example of the latter kind of sector is building materials, which reported a drop in profits of 5.2 per cent for the period covered by this year's FT 500. The sector's traditional role, as an early participant in an economic upswing has nonetheless helped to produce a strong improvement in the sector's overall market capitalisation.

In general terms, the equity market has seen a reduction in the premiums attached to companies which promise solid and secular earnings growth.

This trend is apparent even within particular sectors. In the 1982 market capitalisation list, J. Sainsbury ranked 14th, while Tesco, despite its larger sales revenue, only just scraped into the top 100.

This year, however, J. Sainsbury has slipped back to 18th position while its competitor has jumped to 59th place.

Not all cyclically depressed sectors have felt the benefit of this re-rating and the gap between the top and bottom performers in the same industry has in some instances remained very large.

In particular, mechanical engineering and metal forming companies have retained their humble ratings. TI Group has fallen back even further from 209th to 227th position and now sits one place behind Wolverhampton and Dudley, a regional brewer. Two places above it is Spirax-Sarco, an engineering company boasting capital employed one eighth the size of TI's.

Rankings at the top of the table have shown little change, with British Petroleum, General Electric and Shell Transport holding on to the top three slots by a very comfortable margin. GEC, however, will recently have sacrificed second position to Shell owing to the very weak performance of the electrical sector.

Glaxo, however, has bounded up from 11th position to 4th largely on the back of U.S. investment interest and the very high hopes held out for its Zantac drug.

A little further down the list, the strongest advances have been made by well-managed industrial holding companies.

BTR moves up from 20th to 12th and, with the Thomas Tilling acquisition under its belt, by now earns a place in the top ten. Hanson Trust, meanwhile, has pushed up from 53rd to 32nd place.

Towards the bottom of the list appear several once distinguished companies which, in the eyes of the market, have fallen comprehensively from grace. Davy Corporation has collapsed from 151 to 320, while John Brown languishes in 333rd place.

Overall, trading profits in the current year should grow by a fifth to about £450m, a rate of increase spread fairly evenly between the North Sea, which accounts for a third of UK trading profits, and the rest of the economy.

The outlook for dividends is less rosy, in part because, having struggled to maintain pay-outs during a period of falling profits, many companies are reluctant to pay increases in line with profit growth during the early stages of an economic recovery.

In addition, however, the industrial sector is experiencing a rise in earnings, on an actual tax basis, much slower than the profits growth at the trading or pre-tax level.

Some industrial companies—for example in the textile and mechanical engineering sector—are at last generating UK earnings, allowing them to shelter their UK dividend payments from tax.

The financial condition of the corporate sector remains exceptionally strong. A low level of capital investment together with improved control over stock levels kept the net borrowing requirement of the corporate sector to just under £1bn during the first half of 1983.

Moreover, the strength of the equity market has encouraged companies to raise new cash through rights issues, which have already exceeded the 1981 record of £1.7bn this year.

1—250

Ranking 1983	Ranking 1982	Company	Sector	Market cap. £m	Ranking	Turnover 1982-83 £m	Turnover 1981-82 £m	Turnover % change	Profit 1982-83 £m	Profit 1981-82 £m	Profit % change	ROCE	Employees	Year end
1	(1)	British Petroleum	51	7,561.6	1	29,336.0	26,756.0	13.9	2,305.0	2,432.0	−5.2	13.7	14,350	*31.12.82
2	(2)	General Electric Company	4	6,487.4	5	4,626.0	4,190.0	10.4	670.4	584.3	14.7	27.8	178,061	31.3.83
3	(3)	Shell Transport and Trading	51	6,249.0	—	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
4	(11)	Glaxo Holdings	27	3,294.4	72	865.8	718.3	21.8	133.8	87.3	53.0	29.1	28,106	30.6.82
5	(5)	Imperial Chemical Industries	42	2,953.5	3	7,358.0	6,581.0	11.8	258.0	338.0	−22.7	8.2	122,304	*31.12.82
6	(4)	Marks and Spencer	34	2,654.2	16	2,505.8	2,198.7	14.0	239.0	222.1	7.7	21.6	48,495	31.3.83
7	[illegible]	Beecham Group	27	2,480.5	27	1,702.4	1,407.0	21.0	237.1	201.0	17.4	38.6	35,400	31.3.83
8	[illegible]	BAT Industries	36	2,113.6	2	11,316.0	9,091.0	24.5	856.0	684.0	25.1	29.2	178,000	*31.12.82
9	[illegible]	Grand Metropolitan	22	2,102.6	7	3,848.0	3,221.2	19.5	220.2	186.6	18.0	16.2	129,454	*30.9.82
10	(13)	Plessey Company	4	1,753.2	50	1,074.8	963.1	11.6	146.4	111.4	31.5	31.7	39,879	1.4.83
11	(8)	Barclays Bank	62	1,896.9	—	NR	NR	—	495.2	566.0	−12.0	26.8†	108,259	31.12.82
12	(20)	BTR	10	1,637.5	83	724.9	637.0	13.7	108.7	90.2	18.3	30.8	23,000	1.1.83
13	(17)	Rio Tinto-Zinc Corporation	81	1,569.1	8	3,690.4	3,020.7	21.9	341.0	348.1	−2.0	12.8	78,909	31.12.82
14	(16)	National Westminster Bank	62	1,497.7	—	NR	NR	—	439.0	494.0	−11.1	24.3†	88,900	31.12.82
15	(12)	Racal Electronics	4	1,434.6	80	762.2	641.5	18.8	114.3	102.6	11.4	34.6	18,000	31.5.83
16	(15)	Unilever	25	1,382.6	4	5,447.8	4,935.2	10.4	341.4	354.6	−3.7	18.1	283,000	31.12.82
17	(10)	Great Universal Stores	34	1,356.4	25	1,844.5	1,657.1	11.3	201.4	189.2	6.0	22.7	NA	*31.3.83
18	(14)	Sainsbury J.	26	1,327.2	16	2,383.7	1,875.8	27.1	108.8	83.4	30.4	25.9	53,210	*26.3.83
19	(23)	Prudential Corporation	65	1,235.5	—	NR	NR	—	62.7	61.6	21.5	NR	27,882	31.12.82
20	(21)	Cable and Wireless‡	4	1,188.3	117	403.3	351.9	14.6	156.7	89.2	75.7	32.1	10,674	31.3.83
21	(—)	Britoil§	51	1,104.4	104	482.8	—	—	256.9	—	—	64.3	2,591	*31.12.82
22	(18)	Land Securities	69	1,094.9	—	NR	NR	—	78.2	67.4	16.0	6.5	488	31.3.83
23	(24)	Lloyds Bank	62	1,056.1	—	NR	NR	—	315.9	385.9	−18.1	21.1†	70,229	31.12.82
24	(22)	Bass	22	1,036.6	13	1,860.8	1,712.6	8.7	136.7	133.2	2.6	13.0	69,456	30.9.82
25	(30)	Consolidated Gold Fields‡	81	1,029.9	52	1,044.2	867.0	20.4	96.9	186.3	−48.0	18.7	100,904	30.6.82
26	(19)	Boots‡	34	1,007.9	29	1,670.0	1,487.4	12.3	140.1	120.5	16.3	22.4	68,582	31.3.83
27	(—)	Standard Telephones	4	987.7	94	628.5	567.5	10.7	64.8	50.8	27.0	31.2	22,742	31.12.82
28	(25)	Thorn EMI	4	949.1	12	2,715.9	2,435.9	11.5	122.0	105.4	15.7	18.9	78,559	31.3.83
29	(32)	Allied-Lyons	22	943.9	13	2,643.1	2,398.4	10.2	159.8	141.2	13.0	15.4	74,780	5.3.83
30	(31)	Royal Insurance	66	925.9	—	NR	NR	—	96.5	117.0	−17.8	NR	21,904	31.12.82
31	(33)	Sears Holdings	34	909.1	33	1,596.7	1,491.3	7.1	113.6	104.0	9.1	18.8	57,000	31.1.83
32	(53)	Hanson Trust	11	880.8	46	1,148.3	855.9	34.2	60.4	49.7	21.5	25.8	44,000	30.9.82
33	(28)	Distillers Company‡	22	871.8	74	818.5	767.8	6.8	200.8	178.2	12.7	18.1	17,158	*31.3.83
34	(34)	BOC Group‡	42	861.0	37	1,534.2	1,521.7	0.8	102.8	95.1	7.9	11.8	38,370	30.9.82
35	(26)	Imperial Group	36	858.8	6	4,614.0	4,525.6	2.0	154.0	106.6	45.6	11.1	101,300	*31.10.82
36	(48)	Ultramar	51	837.8	40	1,513.3	1,392.6	8.7	186.2	180.2	2.8	31.3	4,500	31.12.82
37	(42)	Associated Dairies	26	779.5	38	1,519.1	1,306.1	16.3	77.4	60.8	27.3	33.3	28,977	30.4.83
38	(55)	Tilling Thomas	11	767.2	19	2,237.0	2,050.1	9.1	43.7	73.6	−40.0	12.5	42,900	*31.12.82
39	(35)	Midland Bank	62	715.6	—	NR	NR	—	251.4	232.2	8.3	46.9†	69,042	31.12.82
40	(46)	Guardian Royal Exchange	66	708.3	—	NR	NR	—	108.2	68.1	19.2	NR	17,500	31.12.82
41	(39)	General Accident	66	701.2	—	NR	NR	—	44.5	104.9	−57.0	NR	17,218	31.12.82
42	(40)	Trusthouse Forte‡	29	699.1	64	915.4	844.7	8.4	57.1	52.3	9.2	11.5	60,400	31.10.82
43	(37)	Standard Chartered Bank	62	698.8	—	NR	NR	—	242.0	260.4	−7.1	27.3†	5,558	31.12.82
44	(27)	Hawker Siddeley Group	0	696.0	41	1,407.0	1,395.0	0.9	116.2	121.1	−4.0	16.0	47,200	31.12.82
45	(36)	Commercial Union‡	66	684.7	—	NR	NR	—	21.0	88.5	−76.0	NR	22,255	31.12.82
46	(51)	Legal and General	65	668.8	—	NR	NR	—	36.5	36.5	6.1	NR	6,700	31.12.82
47	(38)	Associated British Foods	25	661.2	9	3,365.7	2,969.2	13.4	146.3	139.8	5.5	22.2	112,339	2.4.83
48	(56)	Sun Alliance and London Assur.	66	579.6	—	NR	NR	—	56.8	70.9	−19.9	NR	9,119	31.12.82
49	(52)	Tarmac	2	577.2	61	988.4	864.7	14.5	68.7	62.1	31.9	29.0	22,811	31.12.82
50	(58)	Reckitt and Colman	27	561.5	68	901.0	827.5	9.0	75.8	68.4	13.1	27.7	13,896	1.1.83
51	(43)	Eagle Star	66	551.8	—	NR	NR	—	86.0	73.8	−7.9	NR	13,624	31.12.82
52	(89)	Redland§	2	540.0	76	799.1	718.3	11.2	52.0	46.9	10.9	13.6	12,000	*26.3.83
53	(66)	Ferranti	4	533.8	126	372.2	306.3	21.5	31.5	23.8	32.4	25.9	18,427	31.3.83
54	(49)	BPB Industries	2	529.2	107	465.9	405.2	14.8	65.4	56.5	15.8	27.8	10,900	31.3.83
55	(44)	Whitbread‡	22	519.4	69	1,001.8	841.7	19.0	81.0	73.3	10.5	10.2	20,030	26.2.83
56	(47)	Cadbury Schweppes	25	491.9	34	1,577.8	1,271.0	24.1	89.7	80.6	11.3	21.0	38,148	1.1.83
57	(41)	Blue Circle Industries	2	490.8	77	785.5	750.2	4.7	90.0	104.1	−13.5	10.1	31,800	31.12.82
58	(60)	Sedgwick Group	67	477.1	—	NR	NR	—	73.0	56.4	28.3	64.0	9,103	31.12.82
59	(97)	Tesco Stores (Holdings)	26	474.7	18	2,276.6	1,994.4	14.1	53.5	42.7	25.3	18.8	49,372	26.2.83
60	(78)	British Electric Traction	11	463.8	57	1,002.3	883.7	13.4	70.5	66.7	5.1	15.7	50,000	31.3.83
61	(50)	MEPC	69	461.2	—	NR	NR	—	33.4	26.8	24.5	7.4	537	30.9.82
62	(81)	United Biscuits	25	454.1	45	1,206.2	1,028.1	17.0	68.4	60.9	12.3	22.2	40,400	1.1.83
63	(71)	Hambro Life Assurance	65	449.1	—	NR	NR	—	15.9	15.1	5.3	NR	1,646	31.12.82
64	(65)	British Home Stores	34	439.3	111	455.7	427.8	6.6	48.9	42.6	14.8	24.5	24,898	2.4.83
65	(29)	BICC	4	432.0	31	1,654.9	1,480.6	11.0	98.6	101.8	−3.2	25.9	60,000	31.12.82
66	(90)	Barratt Developments	3	426.6	123	385.8	284.7	35.0	40.2	30.5	31.8	23.9	4,533	30.6.82
67	(70)	Trafalgar House§	11	423.2	65	913.0	1,056.0	−13.5	65.6	55.0	19.2	21.1	26,204	*30.9.82
68	(77)	Smith and Nephew	27	422.8	152	272.5	251.0	6.6	34.4	29.1	18.1	24.4	11,463	1.1.83
69	(45)	British Aerospace	6	422.8	20	2,053.0	1,661.8	23.5	(15.3)	70.8	—	1.2	78,590	31.12.82
70	(62)	Johnson Matthey	8	413.8	51	1,044.8	765.8	36.4	38.0	49.6	−23.4	14.8	11,563	31.3.83
71	(54)	Pilkington Brothers	2	398.0	54	1,021.6	958.9	6.5	49.9	53.4	−4.0	7.2	38,100	31.3.83
72	(67)	Harrisons and Crosfield	91	395.8	66	912.6	814.0	12.0	44.5	47.2	−5.9	16.4	6,709	31.12.82
73	(69)	Northern Foods	25	387.8	56	1,003.7	743.0	35.0	41.2	33.5	22.8	25.7	21,960	30.9.82
74	(59)	Hammerson Property	69	384.6	—	NR	NR	—	20.4	15.1	35.5	15.2	NA	31.12.82
75	(57)	Reed International	33	362.8	26	1,809.0	1,698.5	6.5	60.9	71.8	−14.9	11.5	54,000	3.4.83
76	(73)	Wimpey George‡	3	358.0	48	1,128.0	996.0	13.3	45.7	42.7	7.0	12.4	17,000	31.12.82
77	(76)	Guest Keen and Nettlefolds	8	354.2	23	1,891.9	1,855.3	2.0	40.8	34.0	17.9	9.1	71,553	31.12.82
78	(85)	Berisford S. and W.§	25	344.9	11	2,729.2	2,236.4	22.0	54.7	40.9	34.3	11.0	9,400	*30.9.82
79	(63)	Bowater Corporation	33	340.2	36	1,566.0	1,728.0	−9.4	72.5	106.7	−32.1	14.5	32,200	31.12.82
80	(68)	Rank Organisation	29	338.3	88	675.2	618.4	9.2	61.8	102.8	−40.1	12.5	28,112	31.10.82
81	(88)	Courtaulds	35	336.9	22	1,905.8	1,789.4	6.5	63.5	51.1	23.9	14.4	73,000	31.3.83
82	(75)	English China Clays	10	334.5	118	402.0	345.0	16.5	43.5	41.7	4.3	16.5	10,467	30.9.82
83	(82)	London and Scottish Marine	61	333.4	167	240.6	237.1	1.5	123.3	113.2	8.9	60.8	281	31.12.82
84	(83)	House of Fraser	34	322.9	78	770.8	727.7	5.9	33.2	28.0	18.4	7.9	29,500	29.1.83
85	(100)	RMC Group	2	322.9	63	924.9	777.0	18.9	44.8	41.7	7.4	19.6	6,707	31.12.82
86	(107)	Pearson S. and Son	11	320.8	85	718.5	702.2	2.3	59.9	59.6	0.8	17.1	31,588	31.12.82
87	(136)	Fisons	42	314.1	170	235.1	362.2	−35.1	21.1	9.2	128.3	15.0	7,539	31.12.82
88	(81)	Rowntree Mackintosh	25	310.1	79	770.5	688.0	12.0	50.5	39.9	26.6	15.2	29,000	1.1.83
89	(122)	ICL	4	309.7	84	720.6	711.1	1.4	23.7	(49.8)	—	17.0	23,581	30.6.82
90	(121)	Habitat Mothercare	34	305.8	165	244.8	157.1	55.3	19.2	10.0	83.1	26.1	9,148	*27.3.83
91	(111)	Magnet and Southerns	2	305.8	200	161.6	136.4	16.0	24.8	19.1	28.7	20.9	4,251	31.3.83
92	(98)	Charter Consolidated	81	303.5	118	409.8	356.9	14.7	47.7	59.2	−19.5	13.2	13,048	31.3.82
93	(123)	Burton Group	34	300.0	181	203.5	189.6	7.5	24.3	16.4	48.4	16.9	9,531	28.9.82
94	(64)	Granada Group	29	299.9	110	459.8	385.4	19.3	47.1	48.1	−2.2	21.2	13,000	2.10.82
95	(87)	Ladbroke Group	29	295.5	81	762.8	705.5	8.1	35.9	32.8	8.6	14.3	16,409	28.12.82
96	(194)	Exco International§	70	292.5	—	NR	NR	—	14.7	10.7	38.1	NA	900	31.12.82
97	(91)	P & O	45	291.9	44	1,213.4	1,047.8	16.8	33.5	41.0	−18.1	9.7	20,076	31.12.82
98	(112)	Electrocomponents	4	289.1	249	101.2	78.5	28.6	17.4	15.7	10.8	44.2	1,715	31.3.83
99	(75)	Dowty Group	6	288.8	110	420.3	360.8	19.8	35.4	39.1	−7.0	17.1	15,345	31.3.83
100	(94)	Sun Life Assurance Society	65	287.4	—	NR	NR	—	8.1	7.0	16.0	NR	2,406	31.12.82
101	(214)	Mercantile House Holdings§	70	279.7	—	NR	NR	—	44.7	14.4	210.8	41.1	3,805	30.4.83
102	(84)	Royal Bank of Scotland	62	278.0	—	NR	NR	—	90.5	107.3	−16.1	19.4†	9,690	30.9.82
103	(130)	British and Commonwealth‡	45	276.6	130	349.5	345.0	1.2	36.9	28.3	30.1	14.2	10,693	31.12.82
104	(102)	Scottish and Newcastle Brews.	22	268.9	92	641.9	620.5	3.4	41.1	32.2	27.0	11.0	21,968	1.5.83
105	(80)	Inchcape	61	268.8	28	1,697.4	1,646.9	3.1	50.3	65.7	−23.4	13.1	57,000	31.12.82
106	(79)	Imperial Continental Gas	01	268.1	168	486.7	453.1	7.4	38.8	41.2	−5.8	11.7	10,850	31.3.83
107	(147)	MFI Furniture Group‡	34	265.6	162	246.3	176.1	39.9	30.4	14.3	112.3	47.0	3,231	28.5.83
108	(88)	Dalgety	25	259.8	14	2,552.0	2,393.0	6.6	45.7	41.2	10.9	16.7	20,760	30.6.82
109	(117)	Rentokil Group	12	257.2	236	111.8	98.0	14.2	17.1	14.2	20.6	42.8	6,600	31.12.82
110	(92)	United Scientific Holdings	6	256.2	242	107.0	48.3	123.3	12.5	6.9	84.4	29.7	4,200	30.9.82
111	(108)	Lonrho‡	91	247.3	17	2,336.1	1,967.4	18.7	76.1	111.6	−32.7	13.2	150,000	30.9.82
112	(93)	Burmah Oil‡	51	237.6	36	1,536.9	1,407.8	8.5	81.0	81.4	−0.5	17.2	25,200	*31.12.82
113	(95)	De La Rue	12	233.7	174	225.8	203.0	11.0	31.9	21.9	44.3	22.0	10,000	*31.3.83
114	(198)	Lex Service	6	228.4	89	684.1	528.4	25.7	20.0	15.3	26.6	21.1	7,600	2.1.83
115	(105)	Unigate‡	25	227.8	30	1,662.1	1,504.4	10.5	43.7	38.2	14.4	15.4	35,900	31.3.83
116	(96)	Northern Engineering Industries	5	226.0	71	867.0	721.8	20.2	39.6	33.0	19.6	18.2	32,837	31.12.82
117	(135)	Pearl Assurance	65	224.9	—	NR	NR	—	14.2	12.5	14.0	NR	8,436	31.12.82
118	(167)	Harris Queensway	34	222.7	195	172.4	138.3	24.7	16.3	10.5	56.0	34.9	3,661	24.12.82
119	(99)	Willis Faber	67	221.4	—	NR	NR	—	30.8	27.2	13.3	35.2	3,060	31.12.82
120	(110)	Kwik Save Discount Group	26	216.6	105	473.1	388.8	21.7	23.6	19.3	22.1	44.6	4,565	28.8.82
121	(116)	European Ferries‡	45	214.4	144	292.6	277.7	5.5	30.7	27.5	11.8	13.3	6,540	*31.12.82
122	(150)	Farnell Electronics	4	214.4	326	42.0	33.7	24.7	10.4	7.8	33.7	46.5	1,122	30.1.83
123	(119)	Smith W. H. and Son (Hldgs.)	34	208.5	70	871.3	773.0	12.7	26.7	21.2	26.2	23.7	21,181	29.1.83
124	(103)	Hepworth Ceramic	2	207.7	142	298.8	289.7	3.1	24.6	24.1	1.6	14.2	6,600	31.12.82
125	(124)	Brooke Bond Group	29	204.4	60	996.3	819.9	21.5	35.3	41.7	−15.4	13.5	72,000	30.6.82
126	(113)	Coats Patons	35	202.9	73	856.2	800.4	7.6	78.8	74.8	2.8	20.5	46,000	31.12.82
127	(114)	Slough Estates	69	199.3	—	NR	NR	—	16.2	13.6	20.0	6.2	311	31.12.82
128	(109)	Smith Industries	8	198.6	122	385.9	367.6	5.6	26.5	29.3	6.4	18.5	15,200	31.7.82
129	(140)	Initial	12	197.4	164	202.3	167.1	21.6	27.1	22.5	18.3	29.7	29,373	31.3.83
130	(129)	Phoenix Assurance‡	66	193.8	—	NR	NR	—	17.5	31.1	−43.7	NR	4,185	31.12.82
131	(104)	Great Portland Estates	69	189.8	—	NR	NR	—	15.8	13.3	15.1	5.9	NA	31.3.83
132	(133)	Tricentrol‡	51	189.2	247	103.3	89.6	16.6	19.0	25.2	−24.6	16.1	247	*31.12.82
133	(184)	Tate and Lyle	25	189.1	21	1,950.0	2,188.3	−10.9	40.1	36.3	10.5	15.4	11,883	25.9.82
134	(152)	Babcock International	6	185.7	58	1,002.2	955.6	4.9	20.5	14.1	45.6	12.7	25,384	2.1.83
135	(131)	Guinness Arthur and Sons	22	186.3	53	1,043.2	906.6	15.2	50.9	41.3	21.3	17.9	18,703	*30.9.82
136	(169)	Argyll Foods§	26	183.3	47	1,135.3	1,076.5	5.5	21.4	22.8	−6.5	22.7	28,602	*2.4.83
137	(190)	Laporte Industries	42	180.5	204	156.4	135.3	15.6	20.7	15.2	36.6	18.0	2,936	*2.1.83
138	(132)	Ranks Hovis McDougall	25	179.6	32	1,598.6	1,573.0	1.6	34.1	45.3	−24.7	12.8	47,000	4.9.82
139	(180)	Bibby J. and Sons	25	177.0	163	245.6	204.6	20.6	15.1	12.2	24.3	24.9	3,900	1.1.83
140	(148)	Bell Arthur and Sons	22	175.6	164	245.6	233.6	5.1	27.6	20.6	37.9	24.6	1,755	*30.9.82
141	(203)	Currys Group	34	173.4	143	293.9	244.6	20.4	15.1	11.3	33.6	21.4	6,953	28.1.83
142	(146)	Charterhouse Group	68	172.9	—	NR	NR	—	22.9	22.6	1.2	19.3	7,612	31.12.82
143	(166)	Hill Samuel Group	68	172.4	—	NR	NR	—	20.1	16.0	25.7	NR	5,061	*31.3.83
144	(154)	Kleinwort Benson Lonsdale	68	171.9	—	NR	NR	—	20.6	21.8	−7.4	NR	1,678	*31.12.82
145	(175)	Debenhams	34	169.7	96	616.6	591.9	4.2	19.6	27.6	−27.6	8.4	19,385	29.1.83
146	(221)	BSR International	4	168.1	172	232.1	204.6	13.4	(17.4)	4.5	—	NIL	11,558	*31.12.82
147	(155)	Metal Box‡	33	167.3	42	1,374.6	1,172.8	17.2	52.5	40.2	30.7	15.4	46,157	31.3.83
148	(178)	Avana Group	25	166.4	219	139.0	128.0	8.6	12.6	9.7	30.4	36.1	3,351	2.4.83
149	(127)	Taylor Woodrow	3	166.6	102	502.5	475.0	5.8	28.5	24.9	14.7	11.2	9,467	31.12.82
150	(199)	Allied Colloids‡	42	166.6	290	62.5	56.0	11.6	12.2	9.5	28.7	44.1	1,207	2.4.83
151	(157)	Telephone Rentals	44	163.5	297	57.4	52.7	8.9	12.7	13.8	−8.0	21.9	2,400	31.12.82
152	(106)	Woolworth Holdings	—	162.0	48	1,124.0	—	—	20.3	—	—	9.0	61,587	*29.1.83
153	(143)	Nottingham Manufacturing	35	160.8	190	189.2	169.9	11.4	21.8	19.0	11.9	20.9	13,661	31.12.82
154	(142)	Rothmans International	36	160.3	10	3,166.0	2,544.4	24.0	140.5	106.2	33.6	23.6	21,856	*31.3.83
155	(149)	Bank of Scotland	62	157.0	—	NR	NR	—	46.4	47.4	−2.1	15.4†	9,411	28.2.83
156	(128)	IMI	8	154.5	83	632.6	532.5	18.8	21.9	23.8	−7.9	12.4	24,050	31.12.82
157	(307)	Bulmer HP Holdings	22	153.0	288	89.4	71.3	25.3	13.3	7.0	77.5	35.9	1,823	*29.4.83
158	(120)	Costain Group	3	151.3	98	554.0	503.6	10.1	40.4	48.0	−15.9	17.5	4,578	31.12.82
159	(183)	Mercury Securities§	68	151.2	—	NR	NR	—	17.6	17.8	−0.9	NR	1,182	*31.3.83
160	(145)	Greenall Whitley	22	150.7	173	226.5	194.5	16.3	20.7	22.5	−8.0	10.9	11,836	1.10.82
161	(168)	Carless Capel and Leonard	51	149.6	289	81.9	74.8	9.3	2.7	1.9	53.5	7.9	386	31.3.83
162	(119)	Stock Conversion	69	147.9	—	NR	NR	—	14.5	14.1	2.7	8.4	199	31.3.83
163	(264)	Mills and Allen International	12	146.6	—	NR	NR	—	12.6	11.8	9.7	76.4	1,026	30.6.82
164	(—)	AMEC	3	146.9	157	263.5	245.9	7.3	17.8	13.4	32.8	17.9	NA	*31.12.82
165	(218)	Security Services	12	146.4	180	205.7	182.2	12.9	9.4	8.0	18.5	29.3	19,463	24.9.82
166	(205)	Linfood Holdings	26	143.9	67	910.1	1,036.7	−12.4	17.0	11.9	42.4	24.3	11,624	*30.4.83
167	(141)	UEI	4	142.8	293	59.8	30.3	97.6	9.4	4.2	123.9	33.6	1,788	31.1.83
168	(249)	London Merchant Securities	69	142.7	—	NR	NR	—	7.9	10.0	−21.2	6.8	200	31.3.83
169	(160)	Dawson International	35	140.7	218	139.0	153.5	−9.4	20.1	23.8	−15.1	23.7	6,008	31.3.83
170	(162)	Amersham International	27	139.4	276	78.1	62.6	24.8	11.7	8.5	37.4	26.7	2,148	31.3.83
171	(—)	Meyer International	2	138.2	89	536.2	484.5	10.7	21.6	0.9	2433.1	13.6	9,700	*31.3.83
172	(115)	Lucas Industries	8	138.1	43	1220.3	1186.2	2.9	20.2	(21.4)	—	7.8	67,978	31.7.82
173	(232)	Pritchard Services Group	12	136.8	151	272.8	177.2	53.9	10.2	6.1	67.6	46.0	70,000	2.1.83
174	(172)	Coalite Group	42	135.0	114	415.9	406.9	2.2	27.3	23.9	14.0	24.7	6,030	31.3.83
175	(192)	Marley	2	134.9	108	460.7	363.4	26.8	10.1	15.1	−33.0	10.4	12,010	*31.12.82
176	(173)	Norcros	10	134.7	133	338.9	312.3	8.5	28.3	25.1	12.8	24.1	14,094	31.3.83
177	(139)	Electronic Rentals Group	29	134.6	185	200.0	183.1	9.2	12.1	15.6	−22.3	14.5	7,276	31.3.83
178	(201)	Equity and Law Life Assur. Soc	65	133.5	—	NR	NR	—	3.7	3.0	23.3	NR	1,966	*31.12.82
179	(144)	Burnett and Hallamshire Hldgs‡	0	133.1	189	235.8	161.9	45.5	30.0	21.8	−38.7	38.8	2,465	31.3.83
180	(161)	Bowthorpe Holdings	4	132.7	261	83.9	72.8	15.2	12.4	11.4	8.9	33.9	2,560	31.12.82
181	(138)	Ocean Transport and Trading	45	132.6	86	714.8	672.7	6.3	13.9	33.4	−58.4	7.1	12,228	31.12.82
182	(297)	Comet Group	34	129.9	161	252.8	211.0	20.3	7.4	7.2	2.9	22.1	2,906	28.8.82
183	(165)	Savoy Hotel‡	29	129.5	331	37.1	33.9	9.3	1.8	(0.5)	—	7.8	2,643	*31.12.82
184	(219)	Caledonia Investments	10	129.4	384	10.2	8.8	15.4	4.7	4.4	8.3	6.5	343	31.3.83
185	(181)	Transport Development Group	45	128.4	131	347.8	275.7	26.2	18.3	15.2	20.9	14.1	11,862	31.12.82
186	(153)	Bejam Group	26	127.8	171	232.6	196.7	18.4	11.7	9.0	30.2	42.0	3,734	0.7.82
187	(170)	Haslemere Estates	69	124.2	—	NR	NR	—	7.1	6.1	16.6	5.7	37	31.3.83
188	(174)	Steetley	10	123.7	121	397.2	382.4	3.9	9.4	17.3	−45.8	8.8	7,006	31.12.82
189	(263)	MK Electric Group	4	123.5	245	103.8	82.0	26.3	13.3	8.6	54.7	29.4	5,040	26.3.83
190	(275)	Hamilton Oil Great Britain	51	122.8	330	38.5	20.4	88.4	21.6	13.2	63.6	74.1	NA	*31.12.82
191	(239)	Saatchi and Saatchi Company	12	121.7	159	258.2	102.1	153.0	5.5	3.6	52.3	105.8	1,486	30.9.82
192	(171)	Laing Properties	69	121.4	—	NR	NR	—	5.5	8.7	12.2	6.9	265	31.12.82
193	(163)	Rugby Portland Cement	2	120.9	197	165.7	144.6	14.6	23.8	18.6	26.6	16.4	3,500	31.12.82
194	(125)	Fosseco Minsep	10	120.8	134	333.1	358.1	−7.0	14.9	23.4	−36.5	11.9	10,076	31.12.82
195	(185)	Capital and Counties	69	120.6	—	NR	NR	—	7.7	7.8	1.3	6.7	395	25.3.83
196	(182)	Town and City Properties	69	118.7	—	NR	NR	—	8.7	(2.9)	—	7.4	2,921	24.3.83
197	(285)	LRC International	27	118.6	215	144.0	118.4	21.6	12.2	9.0	35.6	22.3	6,803	31.3.83
198	(258)	Wolseley-Hughes	11	118.6	176	222.6	178.8	24.5	11.1	8.0	38.9	20.7	4,792	31.7.82
199	(200)	APV Holdings	6	117.7	132	339.0	293.1	16.7	17.0	16.4	7.0	18.3	10,414	31.12.82
200	(188)	Dixons Group	34	117.6	155	268.4	251.5	6.8	14.0	12.5	12.1	17.0	3,839	30.4.83
201	(137)	Hambros	68	116.3	—	NR	NR	—	9.9	11.8	−15.7	NR	1,870	*31.3.83
202	(205)	Gill and Duffus	91	113.4	55	1,006.0	869.0	13.2	12.9	12.8	0.9	17.6	2,400	31.12.82
203	(405)	Polly Peck (Holdings)	11	113.0	365	21.1	6.0	225.9	9.0	2.1	329.6	262.9	146	28.8.82
204	(231)	Diploma	4	112.6	313	48.5	47.5	2.2	6.7	5.2	28.8	30.1	1,150	30.9.82
205	(177)	Simon Engineering	5	109.0	128	362.6	330.8	8.7	20.7	20.3	1.8	19.9	7,676	31.12.82
206	(186)	Croda International	42	108.9	137	307.1	277.7	10.6	15.0	10.1	49.3	14.6	6,214	26.12.82
207	(282)	Sound Diffusion	4	108.2	387	9.0	6.8	33.3	3.2	1.6	104.9	29.1	301	31.12.82
208	(211)	Boddingtons' Breweries	22	107.5	321	44.5	29.3	51.6	8.6	8.2	37.8	26.0	1,956	31.12.82
209	(240)	London Brick	2	107.8	220	137.0	127.1	8.2	15.3	11.2	37.4	22.5	7,036	31.12.82
210	(196)	Booker McConnell	11	106.4	62	869.0	832.8	3.8	19.0	17.0	9.8	19.3	15,924	31.12.82
211	(134)	Vickers	6	105.3	90	656.1	603.6	8.7	19.6	19.8	24.6	−20.3	24,126	31.12.82
212	(273)	Fitch Lovell	26	104.3	75	804.2	739.5	8.7	14.8	10.3	41.3	21.8	15,023	30.4.83
213	(223)	Chubb and Son	12	104.0	135	315.4	277.4	13.7	14.1	9.4	50.9	16.0	13,210	31.3.83
214	(313)	Automated Security Holdings	12	103.6	371	20.0	17.9	13.7	3.2	2.3	38.0	22.0	1,142	*30.11.82
215	(235)	Charterhouse Petroleum	51	102.9	366	20.5	17.2	19.7	10.2	10.4	−1.9	24.5	46	31.12.82
216	(246)	Associated Newspapers Hldg.	32	102.0	158	282.1	229.5	14.2	11.6	16.2	−28.7	11.4	10,940	30.9.82
217	(176)	Portals Holdings	11	101.4	202	157.0	143.4	9.4	14.8	13.3	11.1	18.1	4,389	31.12.82
218	(174)	Heath C. E.	67	100.2	—	NR	NR	—	19.5	17.0	14.7	41.2	1,118	31.3.83
219	(418)	Oceonics	51	99.8	340	31.1	21.2	46.4	5.4	4.3	24.6	73.5	NA	*31.3.83
220	(327)	Securicor Group	12	99.5	186	237.7	194.6	22.1	11.4	9.3	22.4	26.6	20,240	24.9.82
221	(—)	Superdrug Stores	34	97.1	270	81.3	63.1	28.8	5.3	4.4	20.2	31.7	2,698	26.2.83
222	(178)	Dunlop Holdings	09	96.5	38	1,525.0	1,456.0	4.7	(7.0)	0.0	—	3.7	58,000	31.12.82
223	(165)	Minet Holdings	67	96.1	—	NR	NR	—	17.8	14.8	20.8	40.7	2,857	31.12.82
224	(287)	Cambridge Electronic Inds.	4	95.0	268	83.8	76.8	9.1	7.5	5.9	27.2	20.0	5,000	31.12.82
225	(260)	Spirax-Sarco Engineering	6	94.8	316	47.0	42.3	11.7	8.5	7.4	15.6	24.7	2,157	31.12.82
226	(218)	Wolverhampton and Dudley	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
227	[illegible]	TI Group	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
228	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
229	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
230	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
231	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
232	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
233	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
234	[illegible]	London and Manchester Group	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
235	[illegible]	Sovereign Oil and Gas	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
236	[illegible]	DRG	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
237	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
238	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
239	[illegible]	Brixton Estate	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
240	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
241	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
242	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
243	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
244	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
245	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
246	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
247	[illegible]	Clyde Petroleum	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
248	(221)	Bilton Percy	69	84.9	—	NR	NR	—	9.3	7.2	29.1	16.1	520	31.12.82
249	(233)	Schroders‡	68	84.4	—	NR	NR	—	15.4	15.6	−1.2	NR	2,000	*31.12.82
250	(302)	Laing John	3	84.3	82	736.9	687.4	7.2	1.9	6.2	−78.3	5.8	12,900	31.12.82

FOOTNOTES FOR COMPANIES LISTED ABOVE

2 British Petroleum, turnover exclusive of customs duties and sales taxes. 3 Shell Transport and Trading, see entry for Royal Dutch/Shell in European 500. 5 ICI, profit is after deducting petroleum revenue tax and supplementary petroleum duty. 8 BAT Industries, turnover excludes UK VAT but includes other sales taxes. 9 Grand Metropolitan, turnover includes duty. 17 Great Universal Stores, preliminary results. 18 Sainsbury, for 56 weeks to March 26 1983 because year end altered. 21 Britoil, floated November 1982, results for five months to December 31 1982, ROCE=p.a. 33 Distillers, turnover excludes duty £308.7m (1981=£316.0m). 35 Imperial Group, turnover includes duties, excludes VAT. 38 Thomas Tilling, subsidiary of BTR since June 1983. 52 Redland, results include those of Cawoods and previous year's results have been restated to be comparable. 67 Trafalgar House, turnover inclusive inter-company sales, results exclude those of newspaper and magazine interests which were demerged in February 1982. 69 British Aerospace, loss for 1982 after exceptional provision re civil aircraft programmes of £100m. 78 S. and W. Berisford, acquired British Sugar July 30 1982. 90 Habitat Mothercare, 39 weeks to March 27 1983, previous year covered 12 months of Habitat, five months of Mothercare, ROCE=p.a. 112 Burmah Oil, turnover exclusive of duty. 113 De La Rue, turnover includes banknotes packed and awaiting shipment to a value of £4.2m (1981=£6.8m). 121 European Ferries, turnover excludes turnover of Singer and Friedlander. 132 Tricentrol, turnover excludes sales and related contribution to profit resulting from trading in third party oil, profit after deducting petroleum revenue tax and supplementary petroleum duty. 135 Arthur Guinness, turnover includes duties £275.9m (1981=£254m), previous year's figures restated to allow for co-terminous year ends of company and all its principal subsidiaries. 136 Argyll Foods, previous year's figures restated to reflect acquisition of Allied Suppliers. 137 Laporte Industries, turnover excludes £1.2m (1981=£1.8m) relating to property sales. 140 Arthur Bell, turnover includes duty. 143 Hill Samuel, profit after tax, before extraordinary items. 144 Kleinwort Benson Lonsdale, disclosed profit for the year after tax and after transfer to inner reserves, out of which reserves provision has been made for diminution of value of assets. 152 Woolworth Holdings, acquired entire share capital of F. W. Woolworth on April 6 1983, figures are proforma results consolidating results of F. W. Woolworth and subsidiaries for the year to January 29 1983 and those of Woolworth Holdings for period September 16 1982 to January 29 1983 adjusted to provide estimated annualised results. 154 Rothmans International, turnover net of VAT but includes duty, excise and other sales taxes. 157 H. P. Bulmer, turnover excludes duty. 159 Mercury Securities, profit is after tax. 164 Amec, company incorporated November 2 1982 to effect combination of Fairclough and William Press. Although statutory accounts are not required until December 31 1983, modified accounts have been published. 166 Linfood Holdings, company name changed to Gee Corporation September 22 1983. 171 Meyer International, incorporated June 29 1982 to effect merger between International Timber and Montague L. Meyer, previous year's figures are restated on a proforma basis as if merger had taken place April 8. 175 Marley, year end changed from October because this year's results are for 14 months. 178 Equity and Law Life, profit after tax, before revaluation of assets. 183 Savoy Hotel, turnover now includes all service charges and theatre rentals. 190 Hamilton Oil, turnover is gross. 201 Hambros, operating profit after tax, before minority interests. 204 Polly Peck, previous year's figures for period August 20 1980 to August 31 1981. 214 Automated Security, turnover includes invoiced value of rentals adjusted for prepayments net of VAT. 218 Oceonics, admitted to Official List August 19 1983. Previous figures restated to include results of Geomet and Intersite Group. 227 TI Group, previous year's figures restated to exclude results of British Aluminium. 234 London and Manchester Group, profit after tax. 235 Sovereign Oil and Gas, USM previous year's results are for 14 months, ROCE=profit before tax/cap. emp. 236 DRG, effects of the disposal of South African interests are not reflected in the above results as disposal occurred after year end. 239 Brixton Estate, profit is after interest on properties in the course of development as well as interest on developed properties. 247 Clyde Petroleum, USM turnover includes duties, sales taxes and other imposts levied by Government of Equador and production and windfall profits taxes. 249 Schroders, disclosed profit after tax, transfer to inner reserves, interest and capital profits.

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Ranking 1983	1982	Company	Sector	Market cap. £m	Ranking	Turnover 1982-83 £m	1981-82 £m	% change	Profit 1982-83 £m	1981-82 £m	% change	ROCE	Employees	Year end
251	(376)	Hawley Group	11	84.5	239	98.6	38.1	48.3	8.4	2.3	27.6	8.0	4,890	*31.12.82
252	(284)	Refuge Assurance	65	84.1	—	NR	NR	—	4.4	3.8	15.3	NR	3,887	31.12.82
253	(187)	Laird Group	6	83.4	139	305.3	272.2	12.2	19.1	14.5	15.9	26.9	[illegible]	31.12.82
254	(220)	Scottish Metropolitan	69	82.8	—	NR	NR	—	4.6	4.4	31.8	4.8	27	15.6.82
255	(246)	Morrison Wm. Supermarkets	26	82.7	176	224.0	198.5	12.8	8.3	7.5	10.8	20.4	4,723	29.1.83
256	(248)	Hall Matthew	6	82.1	115	413.2	329.2	25.5	11.6	10.3	12.5	22.2	8,600	31.12.82
257	(284)	Hepworth J. and Son	36	82.1	[illegible]	98.4	75.7	10.1	3.8	4.1	[illegible]	6.0	4,290	[illegible]
258	(234)	Inbucon Leisure Group	29	79.0	217	141.7	114.1	24.1	14.5	14.1	3.2	27.9	938	31.3.83
259	(270)	Unitech	4	79.0	236	116.8	89.4	29.5	5.9	3.8	55.8	24.0	2,586	29.5.83
260	(279)	Britannic Assurance	65	78.2	—	NR	NR	—	3.9	3.7	6.5	NR	4,110	31.12.82
261	(287)	Sketchley	12	77.5	267	83.7	61.5	36.1	9.1	7.3	25.3	34.9	6,480	1.4.83
262	(268)	Lilley F. J. C.	3	77.3	187	196.7	127.4	54.4	11.0	7.5	41.8	27.5	5,000	31.1.83
263	(226)	Cookson Group	10	76.7	145	289.3	275.6	3.5	6.4	11.3	−43.4	6.9	16,000	*31.12.82
264	(241)	Delta Group	6	76.6	100	508.0	481.5	6.4	14.5	12.7	14.8	12.0	18,500	1.1.83
265	(236)	Allnat London Properties	69	76.4	—	NR	NR	—	9.5	8.1	17.6	26.3	NA	31.3.83
266	(304)	First National Finance	70	76.1	—	NR	NR	—	15.2	16.4	−4.6	78.0	875	31.10.82
267	(257)	Pauls and Whites	25	74.5	140	304.9	271.5	12.8	11.6	10.8	8.1	18.5	2,289	31.3.83
268	(191)	Horizon Travel	29	73.3	233	118.8	96.8	22.4	14.3	13.3	7.3	40.5	781	30.11.82
269	(291)	Wilson (Connolly) Holdings	6	72.7	322	43.7	39.8	9.8	10.1	8.3	31.8	22.9	548	31.12.82
270	(298)	Guinness Peat Group	68	72.5	—	NR	NR	—	(2.1)	(31.1)	—	NR	NA	*30.4.83
271	(266)	Vaux Breweries‡	22	72.0	251	80.2	86.0	15.3	10.6	9.5	6.1	12.8	5,024	2.10.82
272	(281)	Hickson and Welch (Holdings)	42	71.8	244	104.6	90.9	15.1	7.8	6.3	31.4	15.0	1,963	30.9.82
273	(305)	Scapa Group	35	71.2	239	111.9	100.1	10.9	15.7	13.6	15.2	25.1	4,100	31.3.83
274	(314)	Marchwiel	3	70.9	186	243.2	237.5	2.4	13.8	10.4	22.5	18.6	6,906	31.10.82
275	(274)	McKechnie Brothers	6	69.7	205	164.0	132.9	15.8	10.2	9.3	9.4	12.5	5,949	31.7.82
276	(253)	Mansfield Brewery	22	68.8	291	62.a	55.6	11.5	8.0	7.2	10.6	23.7	1,655	1.4.83
277	(—)	Hadson Pet. Intl.	51	68.9	—	NR	NR	—	(8.1)	6.0	—	NA	6	*31.12.82
278	(310)	Flight Refuelling (Holdings)	5	68.2	354	21.9	27.5	3.8	3.5	3.9	24.2	22.8	1,292	31.12.82
279	(256)	Samuel H.	34	67.1	286	88.0	67.8	0.8	3.3	5.3	−38.9	8.1	3,925	29.1.83
280	(275)	Finlay James	91	66.1	229	122.9	99.2	24.0	15.1	13.2	14.5	15.1	1,822	31.12.82
281	(242)	Grindlays Holdings	70	65.7	—	NR	NR	—	79.9	34.6	130.5	141.7†	10,002	31.12.82
282	(237)	Chesterfield Properties	69	65.5	—	NR	NR	—	5.0	4.3	16.5	6.8	NA	31.12.82
283	(346)	Sotheby Parke Bernet	12	65.4	307	52.8	65.4	−19.3	(3.1)	7.0	—	Nil	1,430	31.8.82
284	(264)	Highland Distilleries	22	65.2	272	79.8	73.0	5.3	6.7	6.1	13.3	13.4	288	*31.8.82
285	(277)	United Parcels	45	64.4	304	53.6	40.2	33.4	6.7	9.1	11.1	29.6	3,500	29.1.83
286	(—)	Applied Computer Tech.	4	63.7	362	22.8	8.4	172.2	2.2	1.0	114.4	68.1	370	31.3.82
287	(—)	Associated British Ports	45	63.4	210	151.6	128.2	18.2	8.5	(10.3)	—	7.4	9,250	*31.12.82
288	(290)	Newarthill	3	62.9	156	265.0	250.0	6.0	15.5	11.5	41.4	11.8	5,895	*31.10.82
289	(207)	SGB Group	6	62.7	207	153.6	139.2	10.2	11.4	12.5	−9.1	16.0	4,865	25.8.82
290	(243)	Paterson Zochonis	27	62.5	153	271.4	311.8	−12.7	26.9	29.8	−9.9	16.9	NA	*31.5.83
291	(—)	Carr John (Doncaster)	2	62.2	356	27.3	24.8	10.0	4.8	6.5	34.2	22.7	1,430	30.9.82
292	(245)	Tootal Group	35	61.6	120	401.8	418.5	−4.2	14.9	14.8	0.6	13.1	15,865	31.1.83
293	(266)	Provident Financial	70	61.2	—	NR	NR	—	16.3	10.1	2.0	18.8	4,909	31.12.82
294	(—)	Security Centres Holdings	12	60.3	383	6.5	3.4	93.8	1.3	0.7	90.2	7.8	662	31.3.83
295	(320)	Gerrard and National	63	60.3	—	NR	NR	—	14.2	4.8	229.5	NR	70	*5.4.83
296	(341)	Akroyd and Smithers	70	59.8	—	NR	NR	—	25.0	5.9	328.8	23.7	440	1.10.82
297	(317)	Bradford Property Trust	69	59.4	—	NR	NR	—	7.8	7.3	6.3	33.4	NA	5.4.83
298	(356)	Travis and Arnold	2	58.8	250	100.6	90.4	11.3	7.8	5.4	39.3	18.9	2,144	31.12.82
299	(397)	London and Northern Group	6	58.8	179	208.8	192.9	8.2	9.5	8.6	13.7	17.8	4,638	31.12.82
300	(285)	French Kier Holdings	6	58.2	180	257.5	237.8	8.4	12.4	11.8	10.2	24.8	10,000	31.12.82
301	(324)	Mowlem John and Co	3	58.2	154	271.2	252.1	7.5	6.8	7.8	6.0	18.0	6,341	31.12.82
302	(251)	Morgan Crucible Company	10	58.1	209	152.5	133.0	14.6	4.7	8.1	−41.5	10.2	6,395	2.1.83
303	(449)	British Car Auction Group	9	57.7	141	299.2	215.6	38.7	6.7	2.9	27.3	22.8	863	*31.7.82
304	(303)	Union Discount Company	63	56.8	—	NR	NR	—	11.4	4.1	180.0	NR	81	31.12.82
305	(228)	Dobson Park Industries	6	56.2	193	182.7	172.3	8.0	9.1	10.6	−13.9	10.5	5,864	2.10.82
306	(311)	Marston, Thompson	22	56.2	318	46.2	41.1	12.3	6.9	8.1	12.7	16.2	767	*31.3.83
307	(280)	Property Holding and Invest.	69	55.1	—	NR	NR	—	5.1	3.4	47.6	6.5	16	*31.3.83
308	(260)	Candecca Resources	51	55.7	399	8.1	6.1	−37.5	(0.7)	6.1	—	Nil	13	*31.3.83
309	(344)	United Newspapers	32	55.2	253	97.5	86.5	12.7	5.4	2.6	49.8	18.8	5,746	31.12.82
310	(335)	Stakis	28	55.0	259	88.2	77.8	13.4	4.8	4.7	−4.2	18.1	4,472	2.10.82
311	(385)	Memec	4	54.0	392	12.2	8.0	52.4	2.0	1.6	25.8	68.8	NA	31.12.82
312	(252)	Bestobell	6	53.9	226	130.3	122.4	6.5	6.7	8.5	2.9	31.4	4,873	31.12.82
313	(—)	Fleet Holdings§	32	53.8	178	217.8	242.3	−10.1	2.9	6.9	−57.4	12.3	8,000	*30.6.82
314	(229)	Turner and Newall	10	53.8	95	621.4	622.7	−0.8	(19.3)	11.5	—	1.8	39,920	31.12.82
315	(261)	Property Security Inv. Trust	69	52.7	—	NR	NR	—	3.1	2.0	52.7	7.8	31	31.3.83
316	(431)	Hampton Gold Mining Areas	81	52.0	382	10.4	8.0	30.2	2.5	3.0	−18.3	18.1	296	31.3.83
317	(296)	London and Provincial Shop	69	51.6	—	NR	NR	—	1.1	0.7	64.2	4.1	25	24.8.82
318	(292)	Brent Chemicals (Internatl.	42	51.5	308	51.8	48.6	6.7	3.3	3.6	−6.6	29.1	937	31.12.82
319	(388)	Steel Brothers	11	51.5	227	128.9	118.6	16.6	10.6	7.8	28.3	18.8	2,328	31.12.82
320	(151)	Davy Corporation	6	51.4	87	707.6	877.0	−19.3	6.3	20.4	69.3	8.5	15,212	31.3.83
321	(362)	UBM	2	51.5	138	306.1	260.2	17.7	2.7	(2.0)	—	6.8	6,849	28.2.83
322	(315)	Crest Nicholson	11	50.6	296	56.9	54.1	5.2	6.7	6.3	6.3	28.8	362	31.10.82
323	(417)	Home Charm	34	50.1	243	106.1	73.8	43.5	2.2	2.9	14.4	30.6	2,818	1.1.83
324	(337)	British Vita	42	49.7	252	67.8	91.9	6.5	7.4	5.0	−7.4	18.8	7,250	31.12.82
325	(384)	Link House Publications	32	49.5	367	26.3	25.2	4.4	5.7	4.8	24.6	90.2	666	30.6.82
326	(328)	Brown Matthew	22	49.2	337	34.3	30.9	11.0	5.8	6.0	15.7	11.5	1,533	2.10.82
327	(330)	Baird William	35	49.0	191	186.6	150.6	23.2	8.8	6.7	54.8	18.5	11,027	31.12.82
328	(383)	Collins William‡	32	48.8	278	79.7	72.7	9.6	4.7	4.0	16.8	15.4	2,642	28.12.82
329	(283)	Vinten Group	4	48.7	375	17.7	12.7	39.8	3.4	2.4	38.8	47.9	432	31.3.83
330	(334)	Hillards	26	48.3	188	193.4	174.6	11.1	5.8	4.8	31.5	31.7	4,580	30.4.83
331	(422)	Asprey and Company	34	47.9	359	24.8	24.6	3.4	5.4	4.9	11.8	31.4	290	*31.3.83
332	(316)	Bryant Holdings	6	47.8	264	85.0	72.0	18.1	7.7	9.6	−18.5	16.6	NA	31.5.83
333	(289)	United Real Property Trust	69	47.1	—	NR	NR	—	2.0	1.5	35.0	14.8	NA	6.4.83
334	(301)	Stewart Wrightson Holdings	67	46.9	—	NR	NR	—	8.5	9.2	7.8	27.5	3,040	31.12.82
335	(380)	LCP Holdings	11	46.8	190	277.5	233.2	19.0	4.1	2.1	95.9	13.4	2,371	31.3.83
336	(381)	London Shop Property Trust	69	46.7	—	NR	NR	—	4.7	3.4	38.0	6.9	NA	30.4.83
337	(333)	Peachey Property Corporation	69	46.5	—	NR	NR	—	6.7	4.7	42.9	8.7	NA	24.6.82
338	(428)	Black Peter Holdings	39	46.1	311	50.9	40.3	25.5	3.5	3.4	3.3	19.4	1,873	30.4.83
339	(300)	Howden Group	6	46.1	223	136.4	142.2	−4.7	9.2	8.7	6.5	22.0	4,056	30.4.83
340	(401)	Dewhirst I. J. Holdings	35	46.0	365	27.4	23.2	18.2	2.6	2.5	16.2	28.1	2,337	14.1.83
341	(197)	Freemans	34	45.7	149	278.6	257.4	8.8	6.4	13.1	−51.4	9.5	5,248	29.1.83
342	(—)	Amalgamated Distilled Prods.§	22	45.7	194	176.8	72.9	142.6	4.7	1.2	283.6	13.8	2,009	31.3.83
343	(326)	Adwest Group‡	6	45.4	283	70.0	71.8	−2.4	5.8	5.8	8.5	16.0	2,245	30.6.82
344	(408)	M. and G. Group	70	45.4	—	NR	NR	—	3.6	3.8	−5.5	NR	282	30.9.82
345	(—)	Brown Boveri Kent (Holdings)	4	45.2	248	102.9	102.5	0.3	4.4	0.3	1590.1	12.3	4,880	31.12.82
346	(402)	Queens Moat Houses	29	45.1	336	35.1	15.4	128.0	2.8	1.5	170.4	25.0	3,338	31.12.82
347	(391)	Regional Properties	69	44.7	—	NR	NR	—	2.4	1.5	28.2	3.4	NA	*31.3.83
348	(318)	Extel Group	12	44.7	240	109.0	99.2	9.9	5.3	4.5	18.2	28.1	2,328	31.3.83
349	(370)	McCorquodale	32	44.6	265	92.2	84.6	9.5	6.2	5.0	23.8	18.4	3,871	30.9.82
350	(469)	Dubilier	4	44.5	376	17.6	17.5	0.6	1.9	1.5	33.2	31.5	748	29.9.82
351	(343)	Staveley Industries	10	44.6	203	156.8	152.6	2.7	4.3	7.1	−39.8	10.6	6,136	2.4.83
352	(—)	Vantona Viyella	35	44.2	246	103.5	104.2	−0.7	4.3	6.8	−28.5	10.8	7,029	*28.11.82
353	(392)	Minster Assets	66	44.1	—	NR	NR	—	11.8	10.1	15.4	NR	1,854	31.12.82
354	(336)	Wholesale Fittings	4	44.1	346	30.5	28.4	7.7	3.9	3.5	13.0	30.4	613	29.4.83
355	(278)	Land Investors	68	43.5	—	NR	NR	—	2.8	3.2	−11.4	7.2	NA	24.3.83
356	(288)	Premier Cons Oilfields‡	51	42.9	394	4.8	3.4	39.5	4.1	3.7	12.4	28.7	112	31.2.83
357	(312)	Stenhouse Holdings	67	42.0	—	NR	NR	—	8.9	8.7	1.5	37.1	8,000	30.9.82
358	(371)	Haden	6	41.9	148	282.8	245.6	15.1	8.0	7.7	12.2	31.0	6,261	31.12.82
359	(475)	Siebe Gorman‡	11	41.4	280	86.9	53.2	63.2	6.2	4.0	53.2	12.7	1,850	2.4.83
360	(347)	Trident Television	29	41.3	256	90.0	108.4	−17.5	4.8	7.4	−41.8	11.8	1,097	*30.9.82
361	(—)	Octopus Publishing Group	32	41.1	343	30.8	24.5	25.6	4.8	3.6	25.9	37.8	250	31.12.82
362	(262)	Greycoat City Offices	69	41.5	—	NR	NR	—	1.8	0.8	125.7	4.8	29	31.3.83
363	(351)	Sirdar	35	40.9	348	28.6	27.7	7.2	6.2	6.3	16.2	36.0	1,162	[illegible]
364	(329)	Brammer	6	40.0	300	56.0	45.0	24.3	5.7	6.8	6.5	31.8	1,350	31.12.82
365	(374)	Warner Estate Holdings	69	40.4	—	NR	NR	—	2.1	1.8	17.1	12.4	NA	30.9.82
366	(350)	Imry Property Holdings	69	40.1	—	NR	NR	—	1.5	1.6	20.3	4.7	NA	31.3.83
367	(386)	Associated Leisure	29	39.5	314	48.2	42.6	13.2	5.5	3.8	47.0	23.8	2,736	*2.1.83
368	(322)	Molins	6	39.7	216	142.9	132.6	7.8	8.3	7.5	5.2	12.6	5,987	31.12.82
369	(342)	Fairview Estates	6	39.6	341	31.0	27.8	11.8	5.2	5.7	8.7	12.3	328	30.6.83
370	(325)	Property and Reversionary	69	38.9	—	NR	NR	—	2.1	2.3	−10.2	4.0	19	31.3.83
371	(364)	Cape Industries	10	38.5	177	219.6	217.8	1.8	3.4	2.2	56.3	5.8	8,707	31.12.82
372	(494)	Bullough	6	38.5	320	45.5	43.0	5.8	5.5	3.4	59.0	24.3	1,896	31.10.82
373	(460)	Ward White Group	34	38.2	222	136.2	103.8	31.5	6.3	3.5	51.7	18.1	5,200	*31.1.83
374	(—)	AB Electronic Products	4	38.0	358	26.7	21.4	20.3	1.8	(0.4)	—	16.9	1,747	30.6.82
375	(309)	Churchbury Estates	69	37.8	—	NR	NR	—	2.3	0.8	162.7	4.7	53	31.3.83
376	(465)	Ruberoid	2	37.4	298	58.2	52.8	10.4	4.2	3.4	24.0	28.2	1,429	31.12.82
377	(319)	Mucklow A. and J. Group	69	37.3	—	NR	NR	—	4.7	4.3	9.9	8.3	68	30.6.82
378	(441)	Silentnight Holdings	39	37.6	277	77.3	72.8	6.1	5.2	5.1	2.3	25.8	2,797	29.1.83
379	(—)	Johnston Group	3	37.1	306	53.1	42.4	25.1	6.3	5.2	21.3	30.9	1,106	31.12.82
380	(462)	Ibstock Johnsen	2	37.1	287	66.3	60.3	9.9	(1.4)	0.8	—	3.3	2,336	31.12.82
381	(349)	Hogg Robinson	67	36.6	—	NR	NR	—	10.6	5.5	24.3	25.7	5,000	31.3.83
382	(—)	Henderson P. C. Group	2	36.5	312	60.0	31.5	56.8	3.9	2.9	87.7	36.3	1,976	29.3.83
383	(212)	Brown John	6	36.3	91	643.9	690.5	−6.4	(8.6)	14.2	—	5.0	9,087	31.3.83
384	(360)	Coates Brothers	42	35.9	225	132.6	116.6	13.7	8.7	8.4	3.5	12.9	3,200	*31.12.82
385	(448)	East Midland Allied Press‡	32	35.8	303	54.2	48.0	13.0	3.6	3.5	6.5	20.7	2,120	2.4.83
386	(429)	Telefusion	29	35.7	254	93.7	80.6	16.8	4.8	6.8	13.5	19.5	2,494	30.4.83
387	(—)	NSS Newsagents	34	35.1	221	136.5	117.8	16.9	6.3	4.9	7.8	27.6	4,891	2.10.82
388	(271)	Carlton Industries	11	35.0	234	116.8	102.5	14.0	6.5	6.1	−37.8	5.8	3,066	31.12.82
389	(368)	Martonair International	06	34.9	328	39.4	34.4	8.3	4.1	4.1	2.0	19.2	2,139	31.7.82
390	(382)	Town Centre Securities	69	34.9	—	NR	NR	—	1.9	1.7	13.3	6.2	169	30.6.82
391	(406)	Johnson Group Cleaners	12	34.7	310	50.7	44.0	16.2	6.5	4.1	38.0	22.3	5,029	25.12.82
392	(—)	Cray Electronics	4	34.5	373	18.8	17.1	18.1	1.7	1.3	33.8	25.5	1,155	30.4.83
393	(—)	London and Liverpool Trust§	44	34.5	327	41.6	12.3	239.3	7.8	1.1	580.2	64.1	940	*31.8.83
394	(340)	Baker Perkins Holdings	6	34.2	198	165.0	137.8	19.7	1.6	6.6	−75.2	7.2	8,063	31.8.83
395	(—)	Mount Charlotte Investments	20	34.0	380	15.7	12.4	27.2	1.3	0.7	69.3	11.2	1,120	29.12.82
396	(375)	Foster Brothers Clothing	34	33.9	280	73.5	81.3	−9.5	5.0	4.8	5.5	14.7	3,051	28.2.83
397	(455)	Beazer C. H. (Holdings)	6	33.6	315	48.0	27.5	71.9	4.0	3.5	16.1	32.0	1,339	30.6.82
398	(—)	KCA Drilling Group ‡	51	33.5	329	39.1	27.0	45.1	7.0	5.9	18.2	19.4	301	31.12.82
399	(—)	Warnford Investments	69	33.3	—	NR	NR	—	3.5	6.8	18.7	36.8	12	25.12.82
400	(447)	Ferguson Industrial Holdings	11	33.2	232	119.2	108.1	10.2	3.8	3.4	11.6	19.2	3,800	29.2.83
401	(358)	Prestige Group	39	33.1	301	55.8	64.2	−13.0	6.6	6.6	−17.8	19.6	1,650	31.12.82
402	(470)	Kenning Motor Group	9	33.0	146	287.5	257.1	12.0	8.2	3.5	131.3	12.2	5,456	30.9.82
403	(413)	Samuel Properties	69	32.6	—	NR	NR	—	3.7	3.2	13.8	9.8	45	30.6.82
404	(359)	Invergordon Distillers	22	32.4	384	22.1	20.8	6.4	3.9	3.8	3.1	12.9	348	*31.12.82
405	(389)	Brown Shipley Holdings‡	68	32.3	—	NR	NR	—	2.6	2.2	14.8	NR	653	*31.3.83
406	(—)	Hazlewood Foods	29	32.2	347	30.0	18.8	59.5	2.0	1.4	42.8	28.4	1,014	31.3.83
407	(308)	AE	9	32.2	124	381.7	441.1	−13.5	(0.2)	1.0	—	5.0	19,276	30.9.82
408	(362)	United Friendly Insurance	66	32.0	—	NR	NR	—	2.9	3.1	−6.5	NR	5,264	*31.12.82
409	(456)	Hargreaves Group	11	31.5	186	197.6	179.5	10.1	4.8	4.3	13.4	15.4	2,002	31.3.83
410	(365)	Wedgwood	39	31.8	230	121.1	117.5	3.5	3.3	7.5	−52.7	6.5	6,900	*2.4.83
411	(—)	Kean and Scott Holdings	39	31.8	—	—	—	—	—	—	—	—	—	*—
412	(—)	Sidlaw Group	11	31.6	332	36.2	31.5	15.6	4.2	2.1	97.5	15.7	1,173	1.10.82
413	(295)	Fenner J. H. (Holdings)	6	30.9	214	144.2	130.5	10.5	9.1	6.6	−5.3	18.5	7,804	28.8.82
414	(396)	Chloride Group	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
415	(421)	Lovell Y. J. (Holdings)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
416	(425)	Dunhill Holdings	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
417	(453)	Cowan Group	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
418	(—)	Christies International	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
419	(—)	Kwik-Fit	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
420	(—)	Higgs and Hill	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
421	(459)	County and New Town Props.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
422	(—)	Scholes George H.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
423	(—)	Combined Technologies	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
424	(—)	Datastream‡	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
425	(—)	London and Midland (Inds.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
426	(414)	AAH Holdings	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
427	(323)	Jebsens Drilling§	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
428	(—)	Centrovincial Estates	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
429	(—)	Saxon Oil	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
430	(402)	Crystalate Holdings	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
431	(378)	Watts Blake Bearne and Co.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
432	(—)	Systems Designers Intl.§	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
433	(—)	Bridon	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
434	(—)	Bespak‡	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
435	(474)	Bath and Portland Group	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
436	(415)	Holt Joseph	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
437	(—)	Dominion International§	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
438	(435)	De Vere Hotels and Restaurants	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
439	(384)	Hewden-Stuart Plant	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
440	(—)	Fobel International	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
441	(—)	London Investment Trust‡	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
442	(418)	Aberdeen Construction	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
443	(437)	Cater Allen Holdings	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
444	(—)	Associated Book Publishers	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
445	(—)	Martin R. P.‡	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
446	(383)	600 Group‡	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
447	(—)	Plysu	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
448	(—)	Yule Catto‡	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
449	(472)	BS Group	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
450	(—)	Stewart Nairn Group	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

14 companies make big jumps

By DUNCAN CAMPBELL-SMITH

CONFIDENCE gradually revived in Polly Peck (Holdings) over the summer, rebuilding the market capitalisation recorded in April—or a large part of it, anyway—which was sufficient to lift the company more than 200 places in the capitalisation ratings.

Polly Peck—up from 405 to 203—can therefore claim a prominent position among this year's fastest rising companies, notwithstanding the sharp volatility of its share price which almost halved at the start of the summer as investors struggled to assess its Mediterranean packaging and marketing operations.

The only other company showing a jump of this scale is Amstrad Consumer Electronics, a company building a strong video business on top of its domination of the UK audio market. But Amstrad (238 vs 445) is also a rather special situation, insofar as a major controlling interest in its equity is held by its own chairman.

Leaving these two aside, 12 other names have climbed more than 100 places—a group not surprisingly dominated by relatively small companies, racing up in many cases on the strength of trends which have also benefited larger companies in the same industry though to lesser effect in terms of market capitalisation.

The electronics sector is well represented, both consumer and industrial. The Comet Group (182 vs 297) has attracted investors, as has the Currys Group, alert to a key area of the retail spending boom. Oceonics (219 vs 418) and Dubilier (350 vs 469) have picked up a following for their applied electronics businesses.

MK Electric and Sound Diffusion have also prospered in this sector, the latter benefiting along with Automated Securities from a strong presence in the much followed security industry. Securicor Group (220 vs 327) stands out as the major gainer here, but the same phenomenon has contributed to the growing interest in Hawley Group (251 vs 376).

U.S. profits

Hawley's rise could be attributed to any one of a number of investor preoccupations, quite apart from the perceived quality of its management. The company has a presence in the industrial cleaning market—which has helped so much to boost Pritchard Services' profile—and has signalled its intention to base at least half its growth in the U.S.

Other advances attributable, in part at least, to investors' fondness for U.S. profits include Siebe Gorman (359 vs 475), which has added a U.S. safety products division to its protective clothing business, and British Car Auction (303 vs 449) which has been steadily acquiring car auction businesses in the U.S. to emulate there its success in this line within the UK over recent years.

Vehicle distribution and servicing companies have generally had a good run in the 1982/83 bull market, with Lex Service and Kenning Motor Group notching up sizeable capitalisations on either side of British Car Auction. The recovery in the car industry itself has assisted at least one division of the diversified group of companies which make up Bullough. But the increased interest in Bullough (372 vs 494) looks closer linked to its well-managed operations in the office furniture and wiring systems industry.

Physically accommodating the office changes needed in its wake is one way of profiting from the revolution in communications technology—leaders in the financial services sector have found another. Investors have been quick to spot the potential in this pre-eminent quarter of the UK economy, lifting the capitalisation of Mercantile House (101 vs 214) as well as Exco International, Mills and Allen International and several others.

Our fastest moving dozen includes at least one representative of the great gamble still being played out in the exploration fields of the North Sea, Hampton Gold Mining Areas (316 vs 431), though it is fair to say the company is at least as much followed for its spread of other interests in the resources sector. Gambling of another variety has been the main attraction behind the shares of Pleasurama (246 vs 361), the hotel and casino operator.

Lastly, H. P. Bulmer (157 vs 307) became one of the sensations of the bull market even before the hot 1983 summer arrived to stimulate the market for cider.

Looking beyond the quantum leaps of these dozen or so companies, though, no review of the FT 500's rising UK stars would be complete without a final mention of those few large and established groups which have consolidated their progress over 1982-83 towards the premier ranks of the corporate sector. Three names stand out in this category.

Hanson Trust (32 vs 53) looks well on its way towards achieving its proclaimed goal of becoming one of the top ten companies in the UK market. Fisons (87 vs 136) has engineered a remarkable revival of confidence since the start of 1982 among investors impressed by the group's restructuring around its pharmaceuticals division. And Habitat Mothercare (90 vs 121) by April was already fast realising a potentially leading role in retailing, sector which ought to gather further momentum from the group's acquisitions in more recent months.

Rising stars in the UK

FOOTNOTES FOR COMPANIES LISTED ON THIS PAGE

The following are the footnotes for numbers 251-450. 251 Hawley Group, previous year's figures restated to reflect demerger of small division. 257 J. Hepworth, profit includes interest from non-consolidated subsidiary, club 24 included in pre-tax profits. 263 Cookson Group, profit before additional depreciation. 270 Guinness Peat Group, as company is changing year end to September, figures represent unaudited results of second interim statement covering 12 months to April 30 1983, losses exclude banking profit £1.5m (previous year £2.5m). 277 Hadson Petroleum International, USM. 284 Highland Distilleries, turnover includes duty. 287 Associated British Ports Holdings, formerly British Transport Docks Board, privatised February 1983, figures relate to Associated British Ports, a wholly owned subsidiary. 288 Newarthill, Current Cost Accounting. 290 Paterson Zochonis, preliminary results. 295 Gerrard and National, profit after tax, minority interests and transfer to inner reserves. 303 British Car Auction Group, turnover/gross proceeds from auctions. 304 Union Discount Company, profit is after rebate, tax and transfer to inner reserves. 306 Marston Thompson and Evershed, turnover includes duty. 307 Property Holding and Investment Trust, preliminary figures. 308 Candecca Resources, USM. 313 Fleet Holdings, demerged from Trafalgar House February 25 1982, results are for nine months to June 30 1982, previous year's figures are from proforma consolidated accounts based on audited financial statements. 331 Asprey and Company, USM. 347 Regional Properties, preliminary results. 352 Vantona Viyella, Vantona acquired Carrington Viyella February 1983, results are for Vantona, Carrington Viyella's results for 14 months to February 1983 were turnover £294.097m, pre tax loss £5.863m, ROCE 2.5 per cent p.a. 353 Minster Assets, profit before tax and investment reserve transfer. 360 Trident Television, turnover excludes betting tax. 367 Associated Leisure, 42 weeks to January 21 1983 because year end changed. 373 Ward White, 13 months to January 31 1983, ROCE=p.a. 384 Coates Brothers, turnover includes intergroup sales outside UK and Ireland. 393 London and Liverpool Trust, this year's profit is after deducting profit deferral re sale of video equipment to third party leasing companies. 405 Brown Shipley, profit after tax and after transfer to inner reserve out of which reserve provision has been made for diminution in value of assets. 408 United Friendly Insurance, USM. 410 Wedgwood, previous year's figures restated to include H. and R. Johnson (Australia) Pty, as a related company. 411 Kean and Scott, USM, no figures available. 422 Combined Technologies Corporation, previous year's figures are for nine months to March 31 1982. 429 Saxon Oil, USM. 432 Systems Designers International, company incorporated June 11 1982, figures for previous year based on audited accounts of subsidiaries. 434 Bespak, admitted to official list August 1983, ROCE=on capital employed at year end. 443 Cater Allen, profit after providing rebate, tax and transfer to reserve for contingencies, previous year's results include those of Cater Allen (formerly Allen Harvey and Ross) from November 9 1981, effective date of merger with Cater Allen Holdings (formerly Cmar Ryder Plc). 444 Associated Book Publishers, turnover for previous year restated as Dovestrand, a subsidiary, became an associate. 450 Stewart Nairn, no figures available.

451—500

Ranking 1983	1982	Company	Sector	Market cap. £m	Ranking	Turnover 1982-83 £m	Turnover 1981-82 £m	% change	Profit 1982-83 £m	Profit 1981-82 £m	% change	ROCE	Employees	Year end
451	(—)	Whatman Reeve Angel	33	26.6	372	19.4	16.7	16.3	2.5	1.9	32.7	24.1	626	31.12.82
452	(393)	Goal Petroleum	51	26.6	395	4.4	2.9	54.4	0.8	0.4	107.2	14.3	9	31.12.82
453	(—)	Austin Reed Group	34	26.3	324	42.8	40.7	5.3	3.3	2.0	62.9	14.7	1,820	31.1.83
454	(481)	Matthews Bernard	25	26.1	289	62.7	53.7	17.2	5.7	1.6	251.6	26.6	1,804	2.1.83
455	(398)	Daejan Holdings	69	25.9	—	NR	NR	—	6.9	4.7	46.0	11.3	193	31.3.83
456	(—)	Brengreen (Holdings)	12	25.8	339	31.1	24.6	26.3	1.7	0.9	95.0	36.1	14,843	2.4.83
457	(399)	Estates Property Investment	69	25.4	—	NR	NR	—	2.5	2.4	2.4	7.4	NA	30.4.83
458	(384)	LEP group‡	45	25.3	275	78.1	71.1	9.9	2.6	5.9	−53.5	9.3	5,830	31.12.82
459	(339)	Hunting Associated Indust.	11	25.3	186	169.6	170.6	−0.6	4.4	6.4	−31.6	13.9	4,453	31.12.82
460	(473)	Allied London Properties	69	25.2	—	NR	NR	—	1.9	1.7	17.0	7.1	120	30.6.82
461	(—)	Courts (Furnishers)	34	25.2	282	72.3	62.8	15.2	6.4	4.6	39.3	19.6	1,636	31.3.83
462	(—)	Whitecroft	10	25.1	265	84.3	81.0	4.1	5.3	3.6	48.6	18.4	2,946	31.3.83
463	(397)	GEI International	8	25.0	302	55.1	54.7	0.7	2.8	3.1	−11.6	6.3	2,516	*31.3.83
464	(443)	BBA Group	9	24.9	211	150.9	130.6	15.5	4.8	3.6	27.8	12.1	5,413	31.12.82
465	(—)	Micro Business Systems§	44	24.9	392	6.7	2.7	152.5	0.6	0.3	210.0	27.3	80	31.12.82
466	(—)	Stead and Simpson	34	24.9	319	46.2	40.8	13.2	2.4	2.2	11.0	4.1	1,952	31.3.83
467	(—)	Moben Group§	39	24.7	284	69.6	34.2	103.3	2.4	1.8	20.9	43.3	1,136	*31.12.82
468	(436)	Halma	8	24.6	378	17.1	16.5	3.9	2.0	1.7	15.9	34.3	584	2.4.83
469	(—)	Marshalls Halifax	2	24.3	317	47.3	40.1	17.8	3.5	2.9	23.8	14.4	1,477	31.3.83
470	(492)	Low Wm. and Co.	26	24.1	231	119.8	109.2	9.8	3.3	1.6	83.2	29.7	4,060	4.9.82
471	(—)	Cope Allman International	11	24.0	192	183.0	184.5	−0.8	1.9	0.4	421.7	8.3	7,262	3.7.82
472	(365)	Mitchell Cotts	11	23.8	127	363.9	341.7	6.5	9.7	9.1	6.9	14.8	11,842	30.6.82
473	(425)	LWT (Holdings)	29	23.8	236	116.1	99.5	15.7	4.0	4.3	−5.9	16.3	2,523	25.7.82
474	(—)	Baltic Leasing Group§	70	23.8	—	NR	NR	—	0.4	0.3	35.9	8.9	NA	*31.7.82
475	(—)	Nichols Jn. (Vimto)	25	23.9	379	16.3	12.1	34.7	2.7	2.6	4.1	46.4	146	31.12.82
476	(—)	Myson Group	6	23.9	306	53.2	46.3	14.9	1.3	(7.1)	—	21.8	2,011	31.12.82
477	(484)	Charterhall	51	23.5	396	3.1	2.6	19.5	(0.2)	0.4	—	0.2	40	30.6.82
478	(373)	Ropner‡	11	23.4	342	30.9	28.9	6.9	5.5	6.1	−9.7	18.5	1,190	*31.12.82
479	(—)	Davenports Brewery (Hldgs.)	22	23.4	353	27.9	26.4	5.7	2.2	1.6	32.3	12.1	1,400	2.10.82
480	(446)	Birmid Qualcast	6	23.4	199	164.1	178.3	−8.0	(1.4)	1.6	—	1.9	7,327	30.10.82
481	(439)	Associated Heat Services‡	5	23.3	333	36.2	36.2	−0.1	3.3	3.0	11.6	40.3	900	28.3.83
482	(438)	Martin The Newsagent‡	34	23.1	228	128.1	107.4	19.2	3.7	3.7	−1.6	24.6	6,046	3.10.82
483	(—)	Fuller Smith and Turner	22	23.1	361	28.2	25.3	11.5	2.8	2.0	29.8	21.4	921	*1.4.83
484	(464)	Humtleigh Group	4	23.1	377	17.4	14.7	18.1	0.8	1.4	−43.0	11.2	686	31.12.82
485	(478)	Hoover	39	23.0	169	191.2	201.1	−4.9	(6.8)	(31.0)	—	Nil	9,712	31.12.82
486	(336)	Fisher James and Sons	45	22.9	367	20.7	16.5	25.3	3.8	3.9	−4.6	18.6	575	31.12.82
487	(461)	Computer and Systems Eng.	4	22.8	349	29.3	17.5	67.9	1.7	1.4	24.6	12.6	650	*31.3.83
488	(379)	Metal Closures Group	33	22.7	278	76.4	67.4	13.4	6.0	6.1	−2.7	17.2	2,168	31.12.82
489	(—)	Geers Gross	12	22.6	279	75.8	52.3	45.0	1.8	1.0	78.5	70.4	351	31.12.82
490	(451)	Lynton Holdings	69	22.6	—	NR	NR	—	1.4	1.5	−4.3	5.4	21	31.3.83
491	(434)	Hall Engineering (Hldgs)‡	6	22.9	241	107.9	90.5	18.8	5.4	6.6	−18.0	16.2	2,108	31.12.82
492	(395)	Ansbacher, Henry Holdings	66	22.4	—	NR	NR	—	2.2	0.0	9599.6	19.3	NA	31.3.83
493	(410)	Stewart Plastics	42	22.3	398	8.8	9.0	−2.9	2.6	2.0	−12.4	26.0	476	30.4.82
494	(—)	Wagon Industrial Holdings	6	22.2	292	60.8	54.8	11.2	2.9	3.2	−8.9	12.7	2,134	31.3.83
495	(—)	Adam Leisure§	29	22.2	391	13.8	5.2	165.0	1.3	0.4	259.2	36.5	284	31.3.82
496	(404)	Automotive Products	9	22.0	182	203.3	201.9	0.7	(14.1)	(2.2)	—	Nil	8,582	31.12.82
497	(—)	Scottish Agricultural Ind.	42	21.9	237	114.3	102.2	11.9	4.7	4.1	14.4	12.7	1,127	31.12.82
498	(496)	Ricardo Consulting Engs.	6	21.8	386	9.6	9.0	7.5	1.7	1.2	60.9	19.3	502	30.6.82
499	(—)	Macfarlane Group	33	21.7	344	30.7	25.5	20.5	2.2	1.8	22.2	23.0	1,158	31.12.82
500	(363)	Gestetner Holdings	44	21.7	135	323.2	297.8	8.5	(3.0)	6.2	—	2.8	12,596	5.11.82

* See footnotes. † Cap. emp.=shareholders' funds. ‡ Previous year's figures restated to reflect change in accounting policy. § ROCE=on cap. emp. at year end.

Footnotes for the above entries: 463 GEI Int., results of wholly owned subsidiary Cox Denholm excluded, ROCE=on cap. emp. at year end. 467 Moben, 16 months to December 31 1982. 478 Ropner, previous year's year end was March 31 1982, but as most subsidiaries' year ends were December 31 1981, there isn't a material difference, turnover for previous year restated because of change in accounting policy. 483 Fuller Smith and Turner, USM. 487 Computer and Systems Eng., 16 months to March 31 1983, ROCE=on p.a. figure.

FT 500 NEWCOMERS

21	Britoil*	406	Hazlewood Foods	462	Whitecroft
27	Standard Tel & Cables†	411	Kean & Scott Hdgs	465	Micro Bs. Systems
164	AMEC‡	412	Sidlaw Group	466	Stead & Simpson
171	Meyer Int'l§	418	Christies Int.	467	Moben Group
221	Superdrug Stores	420	Higgs & Hill	469	Marshall's (Hlfx)
229	Britannia Arrow	422	Scholes, George H.	471	Cope Allman Int.
277	Hadson Pet. Intl.	423	Comb. Tech. Corp.	474	Baltic Leasing
286	Appd. Comp. Tech.	424	Datastream	375	Nichols (Vimto)
287	Assd. Brit. Ports¶	425	Lond. & Mids. Inds.	476	Myson Group
291	Carr, J. Doncaster	429	Saxon Oil	479	Davenports Brewery
294	Security Centres	432	System Design Intl.	483	Fuller Smith
313	Fleet Holdings‖	434	Bespak	489	Geers Gross
342	Amal. Dist. Prods	437	Dominion Int'l.	494	Wagon Ind. Hdgs
345	Brown Boveri Knt	440	Fobel Int'l.	495	Adam Leisure Group
361	Octopus Publish.	441	Lond. Inv. Tst.	497	Scottish Agric. Inds.
374	A.B. Elec. Prods	444	Assd. Book. Publ.	499	Macfarlane Group
379	Johnston Group	447	Plysu	*	Floated by Govt.
382	Henderson, P. C.	448	Yule Catto	†	ITT sell shares
387	NSS Newsagents	450	Stewart Nairn Gp	‡	Merger of Fairclough & W. Press
392	Cray Electronics	451	Whatman Rve Angl	§	Merger of Int'l Timber & Meyer
393	London & Liverpool	453	Reed, Austin Group	¶	Floated by Govt.
395	Mount Charlotte	456	Brengreen Hldgs	‖	Floated by Trafalgar
399	Warnford Invs.	461	Courts (Furns.)		

FT 500 DEPARTURES

72	British Sugar*	409	International Timber	468	Blackwood Hodge
101	Rediffusion†	411	Saga Holidays	471	Lee Cooper
126	International Paint‡	412	Amalgmd. Metal Corp.‖‖	476	Holt Lloyd International
158	UDS Group§	416	Hunting Petroleum	477	Ductile Steels
206	News International¶	420	Fine Art Developments	479	Lennons Group
210	Fairclough Construction‖	422	Senior Engineering	480	Morland
230	Huntley and Palmer**	427	Manders Holdings	483	Carrington Viyella
243	Anderson Strathclyde††	430	Office & Electronic	485	North British Properties
255	ACC‡‡	432	Rush & Tompkins	487	Owen Owen
269	Wood Hall Trust	433	Lndn. & Overseas Freight	488	Hambro Trust
293	Grattan	440	Macarthy's Pharms.	489	Kalamazoo
321	Press, William§§	442	Lyle Shipping	490	AIM Group
322	Meyer, Montague L.¶¶	444	Century Oils	491	CCP North Sea
345	Tozer, Kemsley	450	McKay Securities	493	Perry Harold
348	Sharpe, W. N.	452	RHP	495	Rodehaugh
369	Barlow Holdings	457	Boustead	496	Anglia TV
373	Empire Stores	458	Spring Grove	496	Crown House
381	Mining Supplies	463	Burtonwood Brewery	497	Wearwell
390	Kent, M. P.	464	Federated Land	499	Rockware Group
403	British Aluminium	466	Evans of Leeds	500	Renold
407	Acrow	467	More O'Ferrall		

* Berisford takeover; † BET increase holding; ‡ 88% held by Courtaulds; § Hanson Trust takeover; ¶ News Corp. increase holding; ‖ Merger with W. Press to form AMEC; ** Nabisco takeover; †† Charter Cons. takeover; ‡‡ Holmes a'Court takeover; §§ Merger with Fairclough to form AMEC; ¶¶ Merged with Int'l Timber to form Meyer Int'l.; ‖‖ Owned by Preussag.

Cavalcade of newcomers

By DOMINIC LAWSON

THE RANKS of newcomers to the UK 500 bear witness to the hyper-activity of the new issue market on the London Stock Exchange.

According to Samuel Montagu, London's capital markets have been swollen by almost £3.3bn in the form of new ordinary shares so far this year, over £1bn greater than in the comparable period.

The Government broker's issue queue has been jam-packed throughout 1983, and many of the UK newcomers have entered the list as a direct result of enlarging their equity bases through the issue of new shares.

This does not mean that their advance is unmerited. As in the past, it is the fast growing company that has found it easy to tap the City for funds, (rather than the businesses with balance sheets ravaged by three years of recession).

Among the companies that have entered the list partly on the back of rights issues are Applied Computer Techniques, AB Electronic Products, NSS Newsagents, Combined Technology Corporation, Dominion International, Myson Group, and Geers Gross.

Even more dramatic than the flood of rights issues, has been the cavalcade of new companies arriving on the Stock Market.

In particular, hardly a week has gone by without at least one company making its debut on the Unlisted Securities Market, which is three years old this month.

Last time around, Oceonics, the marine electronics company, was the only USM company to make it onto the FT UK 500. Oceonics is now a fully listed stock, but a number of brand new USM companies have bounced straight into this year's list. These include Baltic Leasing, and Adam Leisure. Adam capitalised here at £22.2m, is the archetype of the fashionable USM electronics hot stock. It is in the business of distributing Imagic's electronic games and video software, and as recently as 1981, 75 per cent of its equity was acquired by its current owner for only about £364,000.

Other, less nouveau riche, USM companies that have made it on to the big league include Micro Business Systems, capitalised at almost £25m, and enjoying turnover growth of over 150 per cent.

The elevation of USM company Saxon Oil bears witness to the traditional volatility of the oil exploration business. In March Saxon agreed terms for merger with fellow USM oil company Clyde Petroleum, valuing Saxon's shares at 60p. In May Saxon's 50 per cent stake in Block 16/8b in the North Sea came up trumps, and with its share price riding high at 195p, it called off the merger.

Oil exploration is also the business of the highest ranking newcomer, Britoil. The former state-owned company was privatised in November last year on a price which capitalised it only marginally less than the £1.1bn which has taken it to 21st in the FT UK 500.

The Government was also the vendor of 51 per cent of the shares in the ninth largest newcomer, Associated British Ports. Valued at under £45m when it floated onto the Stock Exchange in February, it was subject to a 34-fold over-subscription. ABP's FT 500 ranking is on the strength of a market value over 41 per cent greater than that set by the government's advisors.

The list of drop-outs from the FT UK 500 includes a fair sprinkling of household names.

Most poignant of all is the absence of last year's 72nd largest company, British Sugar. At the time of last year's table commodity dealers S and W Berisford were already the holders of 40 per cent of the equity of Britain's monopoly beet sugar producer. By the second week of August 1983, British Sugar finally conceded defeat in the bitter £282m takeover battle.

In fact, the 10 largest "absent friends" owe their disappearing act to some form of takeover or merger.

In the cases of Rediffusion, International Paint and News International, parent companies acquired large amounts of outstanding equity. There are also cases of the pure merger. Fairclough Construction, last year's number 210 merged with William Press, formerly number 321, to form this year's largest newcomer, AMEC.

The list would not, of course, have looked complete without a Hanson Trust victim. This time it was the UDS Group, which fell in April after an acrimonious three way takeover battle.

Naturally there are many drop outs whose demotion is a reflection simply of disastrous trading. Worldwide shipping freight rates have continued to crawl along the bottom. So exit Lyle Shipping and also London & Overseas Freighters, which in June reported an attributable loss of £14.6m.

The slump in shipping is well known. But whatever has happened to the British character? It is certainly less Christian than a year ago, if these tables are any guide. The UK's only quoted greeting card companies, W. N. Sharpe, and Fine Art Developments have both suffered a profits dip and are no longer in the FT 500.

● FOR SPECIAL REPRINTS of the FT 500 Survey contact: Nicola Banham, The Financial Times, Bracken House, Cannon Street, London EC4P 4BY. (Price £2.50, incl. postage).

● STATISTICAL INFORMATION for this survey was compiled by Sara Meyer, Sue Hopkins, Frank Kane and Ian Halliday, with assistance from Christine Mason of Extel Statistical Services. The survey was co-ordinated by Carla Rapaport with Mike Wiltshire and Alan Brew. Layout: Philip Hunt. Graphics: Bruno Radovic, Nigel Paige and Michael Daley.

BIGGEST PROFIT INCREASES

	Company	FT UK 500 rank	Sector	Profit Increase %
1.	Mayer International	171	62	2,432.1
2.	Brown Boveri	345	64	1,590.1
3.	London and Liverpool	393	44	560.2
4.	Cope Allman Intnl.	471	11	421.7
5.	Polly Peck	203	11	329.6
6.	Akroyd & Smithers	296	70	326.5
7.	Amal. Dist. Prods.	342	22	283.6
8.	Martin R. P.	445	70	275.0
9.	Adam Leisure	495	29	259.2
10.	Matthews, Bernard	454	25	251.6

BIGGEST PROFIT DECREASES

	Company	FT UK 500 rank	Sector	Profit Decrease %
1.	John Laing	259	03	−78
2.	Commercial Union	45	66	−76
3.	Baker Perkins	394	06	−75.2
4.	Davy Corp.	320	05	−69.3
5.	Ocean Transport	181	45	−58.4
6.	General Accident	41	66	−57.6
7.	Fleet Holdings	313	32	−57.4
8.	Lep Group	458	45	−53.5
9.	Wedgwood	410	39	−52.7
10.	Freemans	341	34	−51.4

A-Z list of UK top 500 companies

COMPANY	RANK
[illegible]	
Baltic Leasing Grp.	474
Bank of Scotland	155
Barclays Bank	11
Barratt Develops.	66
Bass	24
BAT Inds.	6
Bath Portland Group	436
BBA Group	464
Beazer Ch (Hldngs)	387
Beecham Group	7
Belam Group	186
Bell Arthur & Sons	140
Berisford S & W	78
Bespak	434
Bestobell	312
Bibby J. & Sons	139
BICC	65
Bilton Percy	368
Birmid Qualcast	480
Black Peter Hldgs.	338
Blue Circle Inds.	57
BOC Group	34
Boddingtons' Brews.	208
Booker McConnell	210
Boots	26
Bowater Corp.	79
Bowthorpe Holdings	180
BPB Industries	54
Bradford Prop. Trust	287
Brammer	364
Brengreen (Hldgs)	456
Brent Chem Internat	319
Bridon	433
Britannia Arrow Hgs	229
Britannic Assurance	260
British & Commnwlth	103
British Aerospace	69

COMPANY	RANK
[illegible]	
Charterhall	477
Charterhouse Group	142
Charterhouse Pet.	215
Chesterfield Props.	282
Chloride Group	414
Christies Internatnl.	418
Chubb & Son	213
Churchbury Estates	375
Clyde Petroleum	247
Coalite Group	174
Coates Brothers	384
Coats Patons	126
Collins William	328
Comben Group	417
Comb. Techs.*	423
Comet Group	182
Commercial Union	45
Computer Systs Eng	487
Cons. Gold Fields	25
Cookson Group	263
Cope Allman Internl	471
Costain Group	168
Ctry & Nw Tn Props	421
Courtaulds	81
Courts (Furnishers)	461
Cray Electronics	392
Crest Nicholson	322
Croda International	206
Crystalate Holdings	430
Currys Group	141
Daejan Holdings	455
Dalgety	108
Datastream	424
Dports Bwry (Hdgs)	479
Davy Corporation	320
Dawson Int'national	168
De la Rue	113

COMPANY	RANK
[illegible]	
Fitch Lovell	212
Fleet Holdings	313
Flight Refuel (Hldgs)	276
Fobel International	440
Fosco Minsep	194
Foster Bros Clothing	396
Freemans	341
French Kier Hldgs	300
Ful Smith & Turner	483
Geers Gross	489
GEI International	463
General Accident	41
General Electric Co	2
Gerrard & National	296
Gestetner Holdings	500
Gill & Duffus	202
Glaxo Holdings	4
Glynwed I'national	240
Goal Petroleum	452
Granada Group	94
Grand Metropolitan	9
Gt Portland Estates	131
Gt Universal Stores	17
Greenall Whitley	160
Greene King & Sons	232
Greycoat City Offices	362
Grindlays Holdings	281
Guardian Royal Ex.	40
Guest Kn & N'folds	77
Guin Arthur & Sons	136
Guinness Peat Group	270
Habitat Mothercare	90
Haden	358
Hadson Pet I'national	277
Hall Engrng (Hldgs)	491
Hall Matthew	256

COMPANY	RANK
[illegible]	
ICL	89
IMI	156
Imperial Chem Inds	5
Imperial Cont Gas	106
Imperial Group	35
Imry Property Hldgs	366
Inchcape	105
Initial	129
Intasun Leisure Grp	258
Invergordon Distills.	404
Jebsens Drilling	427
Johnson Group Clnrs	391
Johnson Matthey	70
Johnston Group	379
KCA Drilling Grp.	399
Kean & Scott Hldgs	411
Kenning Motor Grp	402
Kleinwort Bens Lons	144
Kwik Save Discount	120
Kwik-Fit	419
London Scot. Marine	83
Ladbroke Group	95
Laing John	259
Laing Properties	192
Laird Group	253
Land Investors	355
Land Securities	22
Laporte Industries	137
LCP Holdings	335
Legal & General	46
Lep Group	458
Lex Service	114
Lilley F. J. C.	282
Linfood Holdings	166
Link House Pubs.	325
Lloyds Bank	23
London L'pool Trust	393

COMPANY	RANK
[illegible]	
Mercury Securities	159
Metal Box	147
Metal Closures Grp	488
Meyer International	171
MFI Furniture Grp.	107
Micro Bus. Systems	465
Midland Bank	38
Mills & Allen Inter	183
Minet Holdings	223
Minster Assets	363
Mitchell Cotts	472
MK Electric Group	189
Moben Group	467
Molins	368
Morgan Crucible	302
Morrison Wm S'mkt	265
Mt. Charlotte Invs.	395
Mowlem John Co.	301
Mucklow A. J. Grp	377
Myson Group	476
Nat. West. Bank	14
Newarthill	286
Nichols Jn (Vimto)	475
Norcros	176
Northrn. Eng. Inds.	116
Northern Foods	73
Nottingham Mfg.	153
NSS Newsagents	387
Nurdin & Peacock	231
Ocean Trnpt Trading	181
Oceonics	219
Octopus Pub. Group	361
P & O	97
Paterson Zochonis	290
Pauls and Whites	267
Peachey Prop. Corp.	337
Pearl Assurance	117

COMPANY	RANK
[illegible]	
Royal Bank of S'land	102
Royal Insurance	30
Ruberoid	376
Rugby P'land Cement	136
Saatchi & Saatchi Co	191
Sainsbury J	18
Samuel H	279
Samuel Properties	403
Savoy Hotel	193
Saxon Oil	429
Scapa Group	273
Scholes George H	422
Schroders	249
Scot & N'castle Brw	104
Scot Agricultural Ind	497
Scottish Metropolitan	254
Sears Holdings	31
Securicor Group	220
Secty Centres Hldgs	294
Security Services	165
Sedgwick Group	58
SGB Group	269
Shell T'port & Trad	3
Sidlaw Group	412
Siebe Gorman	368
Silentnight Holdings	378
Simon Engineering	205
Sirdar	383
Six Hundred Group	446
Sketchley	281
Slough Estates	127
Smith & Nephew	68
Smith WH & S (Hd)	123
Smiths Industries	128
Sotheby Prk Benet	283
Sound Diffusion	307
Sovereign Oil & Gas	235

COMPANY	RANK
[illegible]	
Trusthouse Forte	42
Turner & Newall	314
UBM	321
UEI	167
Ultramar	36
Unigate	115
Unilever	16
Union Discount Co	304
Unitech	397
United Biscuits	62
Union Friendly Insur	408
United Newspapers	309
United Parcels	295
Un. Real Propy Trust	333
Un. Scientific Hldgs	170
Vantona Viyella	362
Vaux Breweries	271
Vickers	211
Vinten Group	329
Wagon Indust Hldgs	494
Ward White Group	373
Warner Estate Hldgs	365
Warnford Investmnts	399
Watts Blk Bm & Co	431
Wedgwood	410
Westland	243
W'man Reeve Angel	451
Whitbread	55
Whitecroft	462
Wholesale Fittings	354
Willis Faber	118
Wilson (Con) Hldgs	289
Wimpey George	76
Wolseley-Hughes	198
W'hampton & Dudley	226
Woolworth Holdings	152
Yule Catto	448